Bertelsmann India Investments

Understanding Rural Bharat

People, Markets and Opportunities in India's Next Growth Frontier

November 2026



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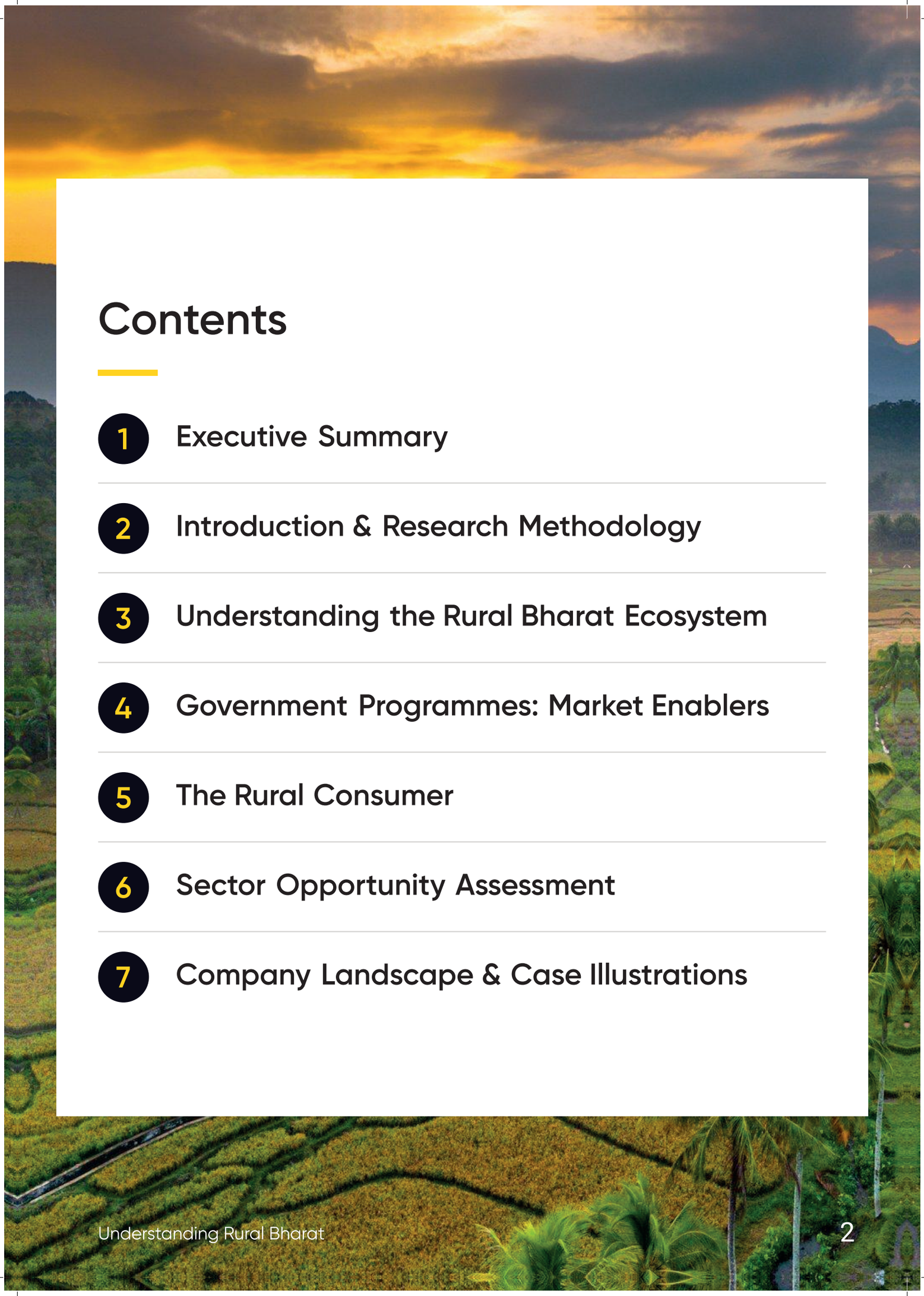
Shape the future with confidence

Foreword

Rural Bharat is diverse, with significant variations across regions, communities and markets. ‘Understanding Rural Bharat’ brings together data, research and case studies to provide a broad perspective on the evolving landscape of rural India.

Through this joint report, Ernst & Young LLP (EY) and Bertelsmann India Investments (BII) bring together perspectives on rural markets and the developments shaping them. We hope the report contributes to a better understanding of Rural Bharat.





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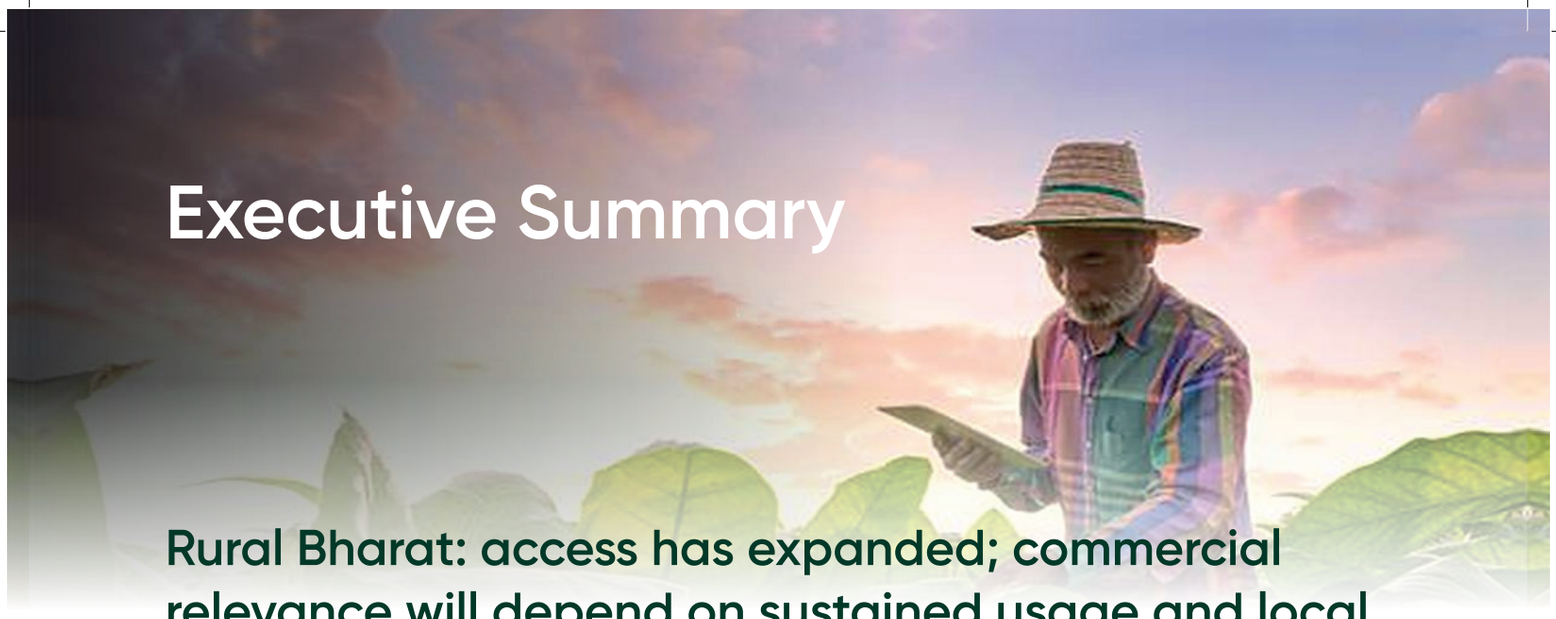
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Executive Summary

Rural Bharat: access has expanded; commercial relevance will depend on sustained usage and local economics

Rural Bharat is a large and increasingly connected market, but it is not a uniform one. Household spending has broadened, women's participation in the workforce has increased, infrastructure has improved and formal financial access has expanded. These shifts create a stronger base for commerce and service delivery. The evidence also shows, however, that access may not automatically translate into usage, affordability or viable delivery economics. The opportunity is therefore more selective than the headline scale suggests.

Snapshot

INR4,122 [1]

Rural monthly expenditure per person, 2023–24

Rural consumption base is material and continues to broaden

47.6% [2]

Rural female labour-force participation, 2023–24

Measured rural female labour-force participation has increased substantially since 2017–18

83.3% [4]

Rural households with internet access

Digital reach is extensive, although personal access and commercial use has scope for improvement

52.96% [1]

Share of rural expenditure on non-food categories

Mobility, health, durables and services claim a significant share of the wallet

~60% [3]

Share of rural residents in villages of 2,000 or more

Larger villages can support denser distribution and service catchments

59.09 crore [5]

PMJDY accounts, August 2026

Formal banking reach is widespread; active usage remains the more relevant measure

Market conditions will shape commercial relevance

The focus states considered in this report represent different combinations of scale, household spending, settlement patterns, institutional reach and delivery cost.



Scale and affordability

Uttar Pradesh and Bihar

Large rural populations and lower ticket sizes favour affordable, high-frequency propositions. Distribution, assisted finance, basic health services and learning support will depend on high transaction volumes and trusted local channels

Higher-spend and corridor-linked

Maharashtra, Karnataka and Telangana

Higher rural expenditure and stronger service ecosystems provide greater scope for diagnostics, enterprise finance, higher-value agricultural services, organised fulfilment and employer-linked skilling. Competition and operating costs are also likely to be higher

Institution-led and dispersed

Odisha and Chhattisgarh

Lower spending capacity and dispersed settlements increase the relevance of SHGs, FPOs, public programmes and community institutions. Their value lies in reducing acquisition, trust and delivery costs

Distributed and terrain-sensitive

Assam

Distributed catchments favour hub-and-spoke diagnostics, local aggregation, assisted commerce and route-based logistics. Hub utilisation and two-way route economics are central

These groups provide an initial basis for assessment. District- and cluster-level conditions remain more important than state averages for commercial decisions.

Operating considerations emerging from the analysis

Income and demand remain seasonal.

Weather, agricultural prices, wages and enterprise cash flows can affect spending, inventory movement and repayment within the same year. [10]

Affordability is distinct from need.

High unmet need in healthcare, education, mobility or finance does not establish the price or frequency at which households will pay.

Settlement density affects delivery economics.

Around 60% [3] of rural residents may live in villages of 2,000 or more, but smaller and dispersed settlements still require routes, hubs, weekly markets and local partners.

Local intermediaries remain important.

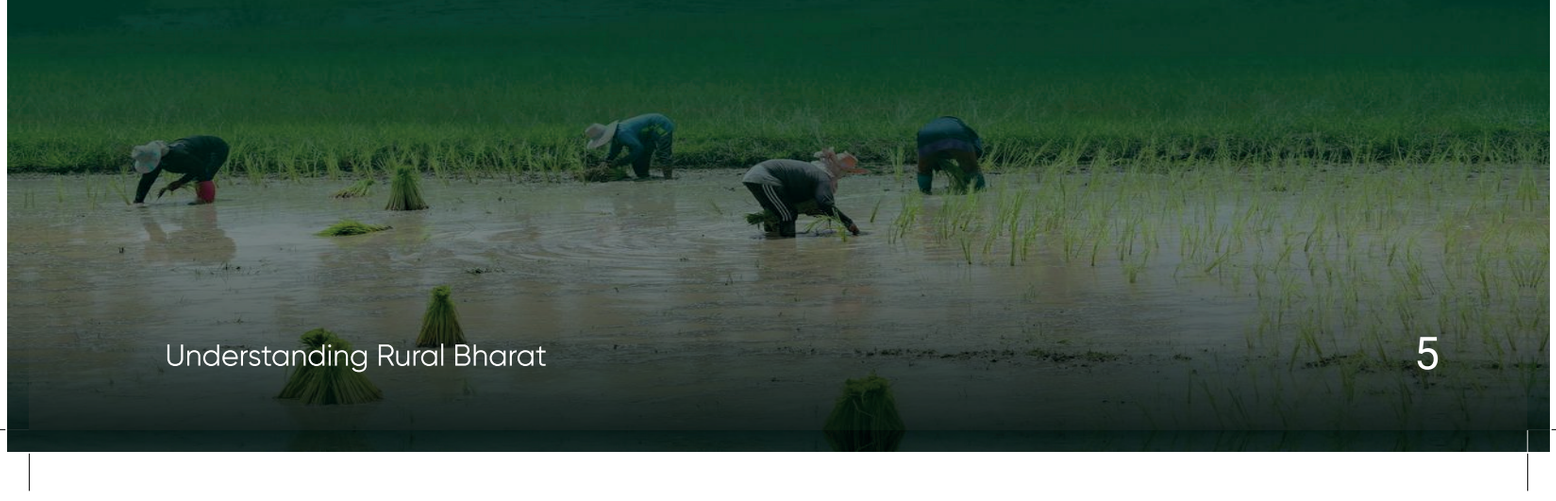
SHGs, FPOs, kiranas, banking correspondents and frontline workers can reduce trust and acquisition barriers; service continuity depends on their economics and capability.

Institutional channels can lengthen operating cycles.

Institutional channels can provide scale and established delivery networks. Businesses working through public programmes, procurement or claims-based models should align their operating and working-capital plans with applicable processes and payment timelines.

Service quality becomes more material as models expand.

Credit, health, learning and data-led services introduce conduct, quality, consent and grievance-management considerations beyond basic access.



What the analysis indicates

1

Larger villages and market corridors provide a practical starting points for distribution, diagnostics, finance, mobility and assisted services.

2

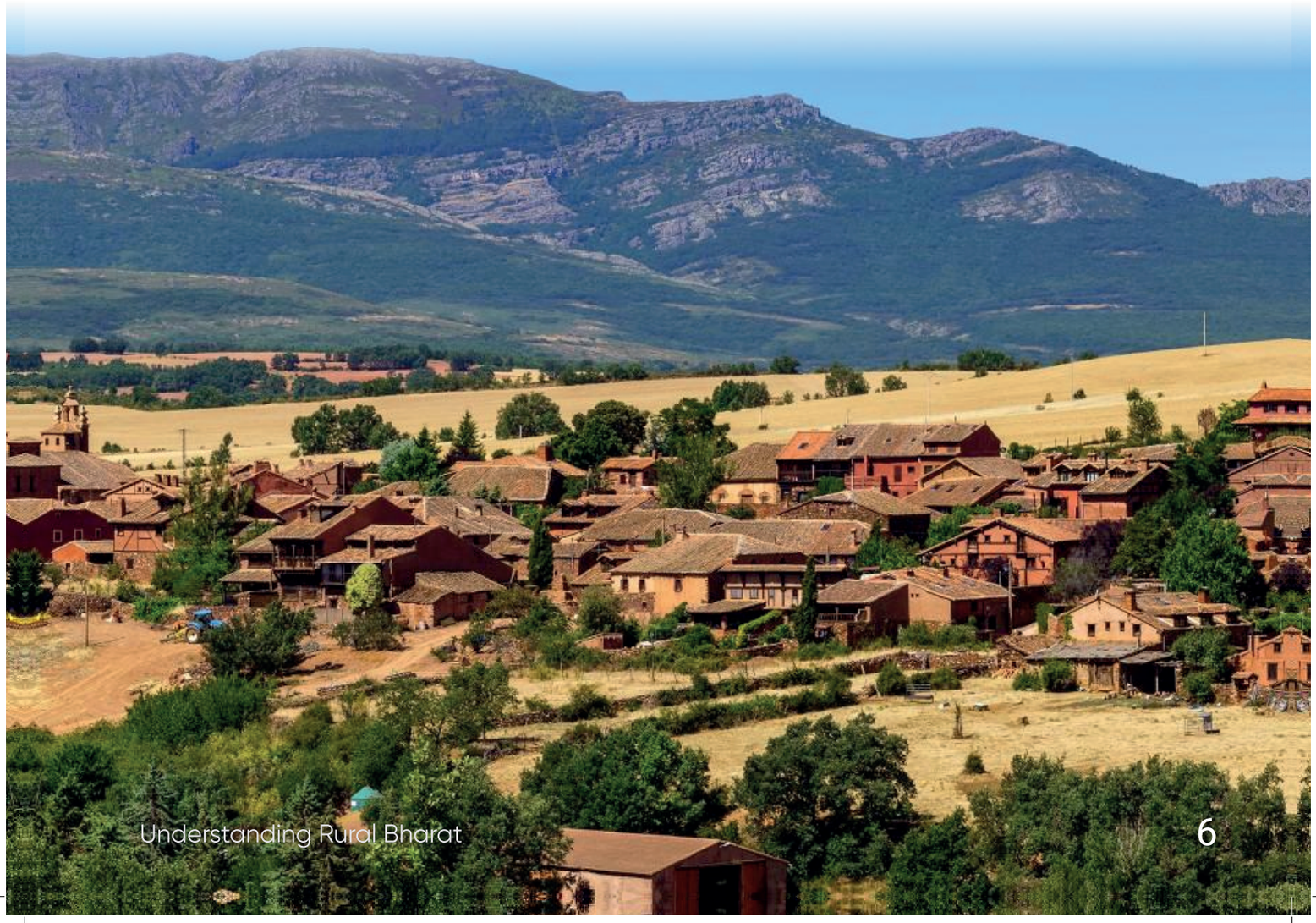
Trusted local networks remain central to customer acquisition and delivery,

3

Commercial performance will be determined by repeat use and unit economics, not by population, account, infrastructure or beneficiary counts.

Overall conclusion

Rural Bharat is becoming easier to reach, but commercial potential varies sharply by location and category. Household spending has broadened, formal finance and digital access have expanded, and larger villages offer denser service catchments. The next phase of growth will depend on repeat customer use, reliable local delivery and business models that work at district and cluster level.





2 Introduction & Research Methodology

2.1 Overall research approach

The report used an evidence-led approach to assess how changes in rural households, infrastructure, institutions and markets were translating into commercially relevant opportunities. The analysis progresses from structure of rural ecosystem and household conditions to public and institutional enablers, sector opportunities and business models.

1. Structure of rural ecosystem and household conditions
2. Public and institutional enablers
3. Sector opportunities
4. Business models

2.2 Scope and coverage

Rural Bharat" followed the Census of India and RBI definition used in Chapter 3: settlements not classified as statutory or Census towns were treated as rural, with the revenue village as basic settlement unit. The report assesses Rural Bharat primarily through a commercial opportunity and operating-model lens. It is not an assessment of overall rural welfare or development outcomes.



2.3 Data sources and evidence hierarchy

The analysis drew on three broad source groups:

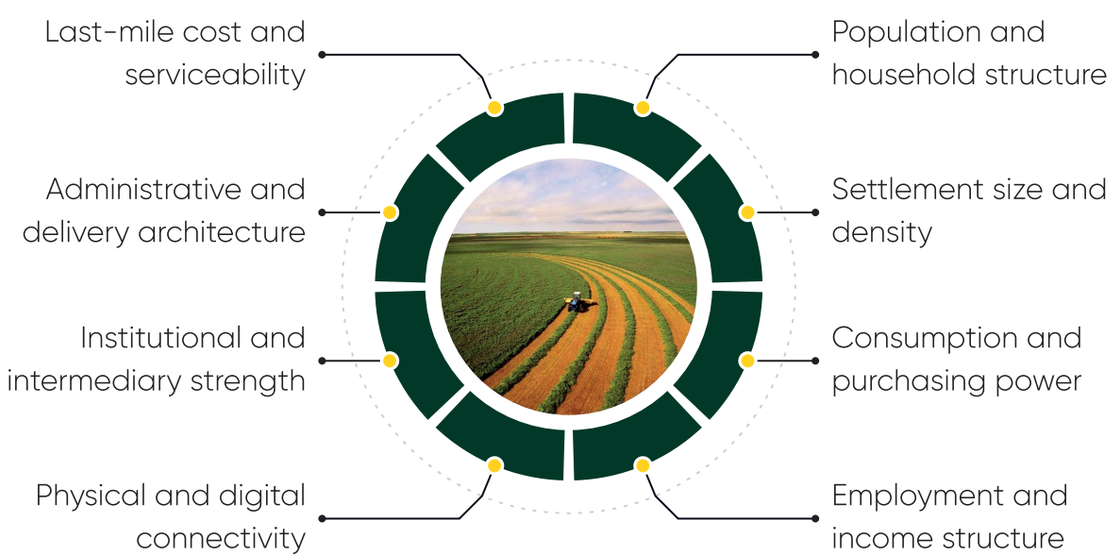
01 Official statistical and administrative sources, including Census of India, MoSPI surveys, PLFS, HCES, RBI publications, Local Government Directory, ministry publications and programme dashboards;

02 Institutional and industry sources including PSU, industry associations reports;

03 Public company disclosures, investor materials, company websites and appropriately permitted company-provided information;

2.4 Analytical framework

The rural ecosystem was assessed across eight dimensions: population and household structure; settlement size and density; consumption and purchasing power; employment and income structure; physical and digital connectivity; institutional and intermediary strength; administrative and delivery architecture; and last-mile cost and serviceability.



Government programmes were grouped by their principal enabling role: purchasing capacity and livelihoods; risk mitigation; physical infrastructure and basic services; digital access and payment rails; human capital; and local institutional capacity. Relevant programmes were assessed using available information on objectives, target groups, coverage, expenditure or resources, documented outputs and plausible market linkages. The analysis examined how programmes could reduce barriers to affordability, access, adoption, distribution or service delivery.

Households were examined through livelihood and income structure, household size, expenditure composition, financial behaviour, digital access and decision pathways. Relevant groups included farmers and allied households, agricultural and informal workers, rural entrepreneurs and self-employed households, salaried or remittance-supported households, and women-led or women-influenced households. Consumer analysis followed the pathway from need recognition and discovery to trust, affordability, channel choice, payment, fulfilment and repeat use.





2.5 State and sector selection

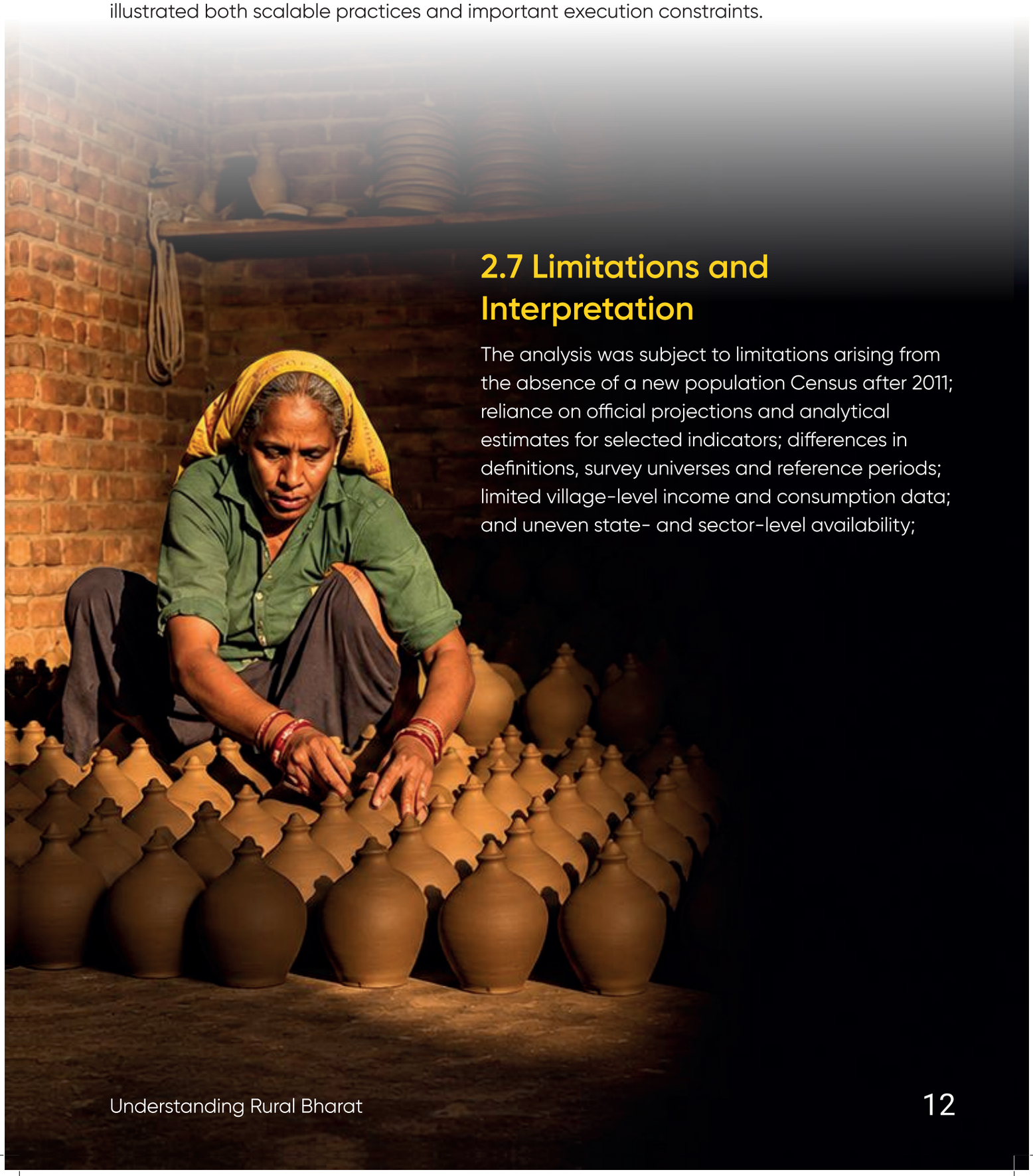
States were compared across rural population scale, population momentum, rural share, settlement density and dispersion, rural monthly per capita consumption expenditure, household structure, institutional depth, physical and digital connectivity, sector relevance and last-mile delivery conditions. The focus states were selected to provide regional and operating-model diversity rather than to identify the highest-ranked states on a single composite score.
They were used to compare market conditions and business-model fit, not as official classifications or rigid investment rankings.

Sectors were assessed on demand, affordability, route to market, evidence of scale and potential for sustainable unit economics. For each selected sector, the report examined the value chain, customer segments, demand and adoption drivers, market structure, enabling conditions, priority opportunity themes, constraints, business-model requirements and fit with state archetypes. The sector screen was directional rather than a weighted ranking. High unmet need was not treated as equivalent to investability; affordability, repeat usage, fulfilment intensity and cost to serve were tested separately.



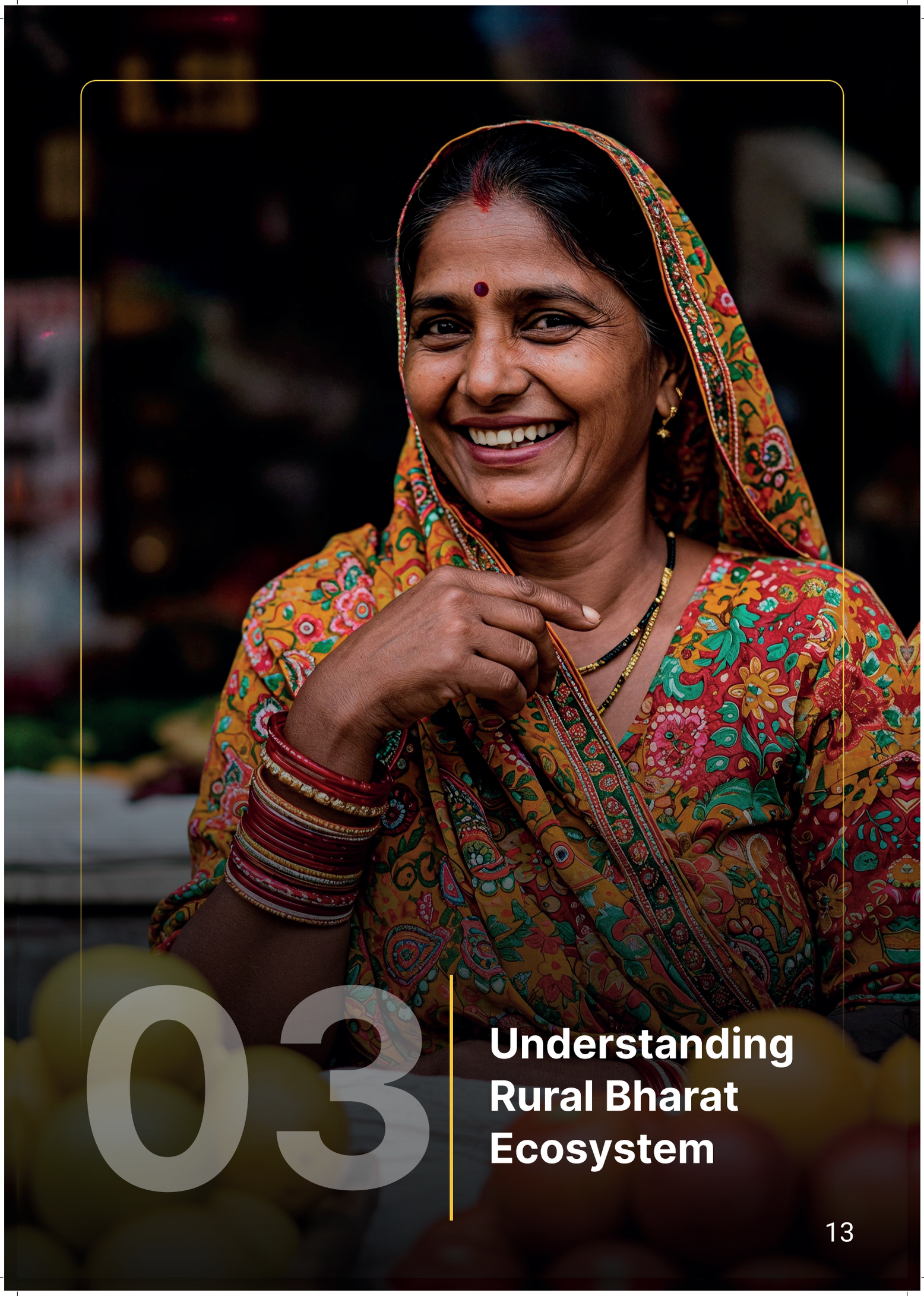
2.6 Company-Case Selection

Company cases were selected for demonstrable rural relevance, differentiated business models, sector and geographic diversity, sufficient public evidence, availability of measurable operating indicators and transferable lessons on distribution, affordability, technology, aggregation or service delivery. The set included business models that illustrated both scalable practices and important execution constraints.



2.7 Limitations and Interpretation

The analysis was subject to limitations arising from the absence of a new population Census after 2011; reliance on official projections and analytical estimates for selected indicators; differences in definitions, survey universes and reference periods; limited village-level income and consumption data; and uneven state- and sector-level availability;



03 Understanding Rural Bharat Ecosystem

3.1 Defining Rural Bharat

In this report, for national population, household, consumption and socioeconomic analysis, this report follows the rural definitions used by the relevant official statistical sources, principally the Census of India and MoSPI surveys. The RBI population-based classification of centres is used separately as a market and settlement lens to distinguish rural, semi-urban, urban and metropolitan centres. In addition, at places in the report, data points include tier 3 and 4 categories with rural (non-urban).

At place in the report, settlement categories are referenced to the Reserve Bank of India's population-based classification of centres: Tier 1 (100,000 and above), Tier 2 (50,000–99,999), Tier 3 (20,000–49,999), Tier 4 (10,000–19,999), Tier 5 (5,000–9,999) and Tier 6 (below 5,000).

How RBI and industry classify cities and towns

Tier	Population	Number of places (Census 2011)	Examples (2011 population)	How the term is commonly used
Tier 1	1 lakh and above	468 cities, of which 53 have 10 lakh+ people	Mumbai, Delhi, Bengaluru; also Lucknow, Jaipur, Indore	Industry usually calls only the 8 largest metros "Tier 1", and cities like Lucknow or Jaipur "Tier 2"
Tier 2	50,000–99,999	601 towns	Ooty (88,430), Lonavala (57,698)	Often called "Tier 3" or "small towns" in industry reports
Tier 3	20,000–49,999	2,047 towns	Mount Abu (22,943)	Small towns
Tier 4	10,000–19,999	2,451 towns	Mahabaleshwar (13,393)	Small towns, sometimes grouped with rural as "Bharat"
Tier 5–6 (RBI: rural)	Below 10,000	2,368 towns, plus ~6 lakh villages	Matheran (4,393); most villages	RBI counts every place below 10,000 people as rural, even if the Census counts it as a town

> Many data sources don't say which definition they use, and sources define 'rural' differently: the Census definition, RBI's 'below 10,000 people', or industry labels such as 'Tier 4/5' or 'Bharat'. Figures labelled 'rural' in different sources may not cover exactly the same places.

Tiers follow RBI's population-based classification (Census 2011). Separately, the government's pay classification groups cities as X, Y and Z, commonly called Tier 1, 2 and 3. X cities are the 8 largest: Delhi, Mumbai, Kolkata, Chennai, Bengaluru, Hyderabad, Ahmedabad and Pune.

Source: RBI Master Circular on Branch Authorisation (tier-wise classification of centres, Census 2011); Census of India 2011; Ministry of Finance house rent allowance city classification

RBI further classifies centres with populations below 10,000 as rural, 10,000–99,999 as semi-urban, 100,000–999,999 as urban and 1 million and above as metropolitan.

The basic rural unit is the revenue village, a settlement with defined boundaries recorded in land records.[13,14] A household comprises people who normally live together and share a common kitchen.[13] This report uses these definitions for Rural Bharat.

RBI Circular (2016), Annex 1: Population-Based Classification of Centres

Table 3.1: Rural Bharat at a glance, 2011 and latest

Census 2011 Projection

Rural population (million)	833.7 891.4 (2021, projected)	+57.7 million; 0.67% CAGR
Urban population (million)	377.1 469.9 (2021, projected)	+92.8 million; 2.22% CAGR
Rural share of population	68.9% 65.5% (2021)	Down 3.4 percentage points
Rural households (crore)	16.8 19.4 (2023–24)	Increase is indicative; 2023–24 figure is survey-based, not directly comparable with Census
Persons per rural household	5.0 4.4 (2023–24, HCES estimate)	Smaller households; more consumption units
Villages (inhabited/total)	5,97,608 / 6,40,867 6.77 lakh (LGD, 2026)	Not directly comparable due to changes in administrative boundaries and LGD records



Key insights

Rural population growth Rural population grew at a projected 0.67% CAGR in 2011–21, around one-third the urban rate of 2.22%. Growth is projected to slow to 0.28% in 2021–31 and level off at around 917 million in the 2030s. [13, 15, 16]

Households are growing faster than the population. Rural households increased from 16.8 crore in 2011 to 19.4 crore in 2023–24, while average household size fell from about 5.0 to 4.4 people. Smaller households mean more consumption units. [13, 17]

Demographic Growth is concentrated in the high population states. Bihar, Madhya Pradesh, Jharkhand, Rajasthan and Uttar Pradesh account for about 95% of the projected net rural population increase. Rural populations are declining in Tamil Nadu, Andhra Pradesh, Telangana and Kerala, partly due to urban reclassification. [13, 15]

3.2 Population distribution and settlement typology

India's rural population increased from 833.7 million in 2011 to a projected 891.4 million in 2021. This reflects natural population growth, shifts across settlement thresholds and increasing concentration around larger, better-connected market villages. These projections should not be read as official Census counts.

Table 3.2: Indicative distribution of rural population by village size class, based on Census 2011 settlement structure and 2021 population projections

Village size (population)	Inhabited villages, Census 2011	Share of villages (%)	Share of rural population (%)	Indicative rural population, 2021 (million)
Below 200	74,701	12.5	0.9	8.0
200–1,999	3,82,469	64.0	39.2	349.4
2,000–9,999	1,34,462	22.5	50.6	451.0
10,000 and above	5,976	1.0	9.3	83.0
India	5,97,608	100.0	100.0	891.4

Note: Village counts and size classes are based on Census 2011. The 2021 distribution is an analytical estimate, not an official Census count. Rounded estimates total 891.4 million.



Key insights across states

59.9%

Rural residents are increasingly concentrated in larger villages: An estimated 59.9% lived in villages of 2,000 or more in 2021, up from 58.2% in 2011. The 2,000–9,999 segment in itself represents about 451 million people, making these villages important markets for distribution and service delivery.

76.5%

Village density shapes the cost to serve: Larger villages can support distributor points, bank agents, diagnostics and direct retail. Smaller villages, which account for an estimated 76.5% of inhabited villages, are more suited to hub-and-spoke models, weekly markets and community partners. State- and district-level validation remains important for market entry.



Village typology: size x affluence

Village size does not indicate purchasing power. Affluence can be assessed directionally through income, consumption and development indicators, including SECC 2011 income bands, the Panchayat Advancement Index (PAI) and rural monthly per capita consumption expenditure (MPCE). SECC 2011 found that only 8.3% of rural households had a highest earner with monthly income above INR 10,000.[20] These indicators provide useful proxies, but not current village-level purchasing power.

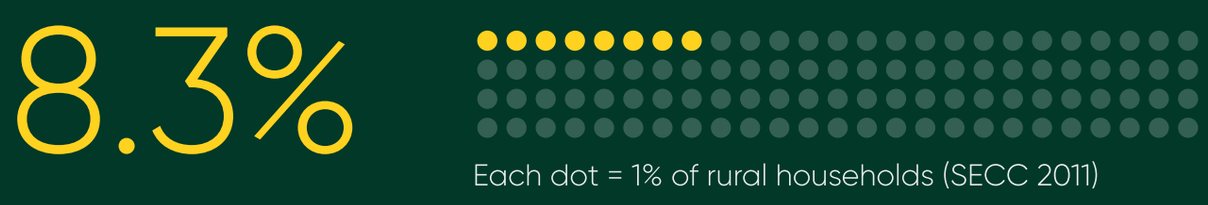
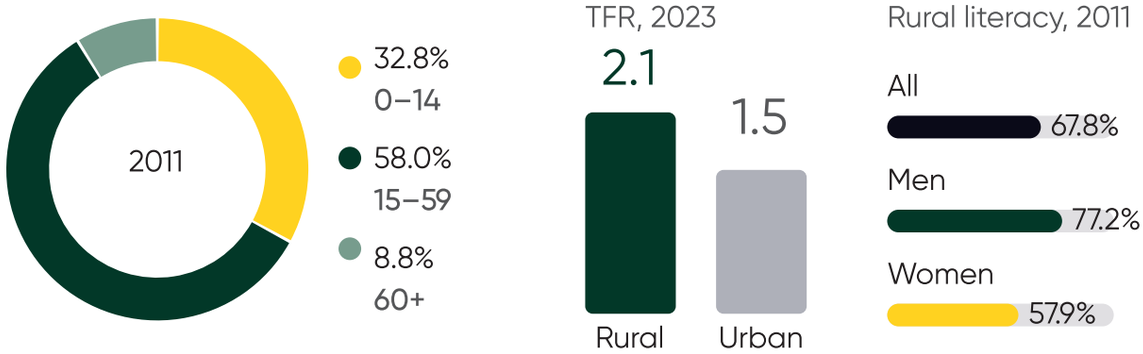


Table 3.3: Village typology

Settlement \ Affluence	Lower affluence	Higher affluence
Larger settlement	Affordable, high-volume distribution Assisted finance Basic diagnostics	Organized retail Diagnostics Durables Enterprise services
Smaller or dispersed settlement	SHG/FPO-led delivery Weekly markets Mobile services	Specialist products through hubs, scheduled routes or remote delivery

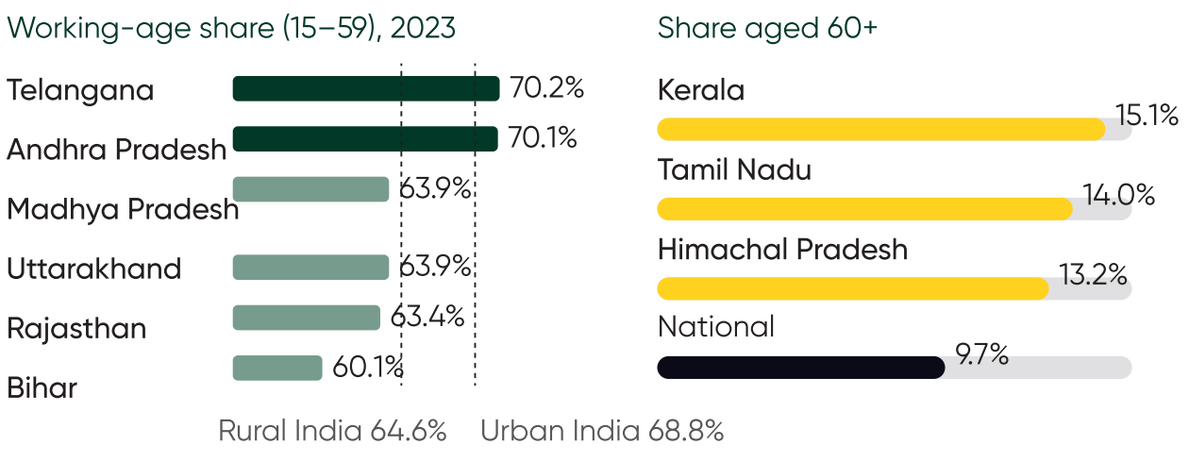
3.3 Demographic profile and household consumption
Who lives in Rural Bharat?

India Overview: In 2011, 32.8% of rural residents were aged 0-14 years, 58.0% were 15–59 and 8.8% were 60+. [13] By 2023, the rural total fertility rate (TFR) had fallen to the replacement level of 2.1 children per woman, compared with 1.5 in urban India. [22] Rural literacy stood at 67.8% in 2011, with a 19-percentage-point gap between men (77.2%) and women (57.9%). [13, 23]





Age profiles vary widely across states. In 2011, children aged 0–14 accounted for 37–41% of rural residents in Uttar Pradesh and Bihar, compared with 27%–28% in Karnataka, Telangana and Maharashtra. [13] In 2023, 64.6% of rural India was of working age (15–59), compared with 68.8% of urban India. Comparable rural estimates are not consistently available by state, so state figures refer to the total population. The working-age share ranges from 70.2% in Telangana and 70.1% in Andhra Pradesh to 60.1% in Bihar, 63.4% in Rajasthan and 63.9% in Madhya Pradesh and Uttarakhand. The share aged 60+ is highest in Kerala (15.1%), Tamil Nadu (14.0%) and Himachal Pradesh (13.2%), compared with 9.7% nationally. [22]

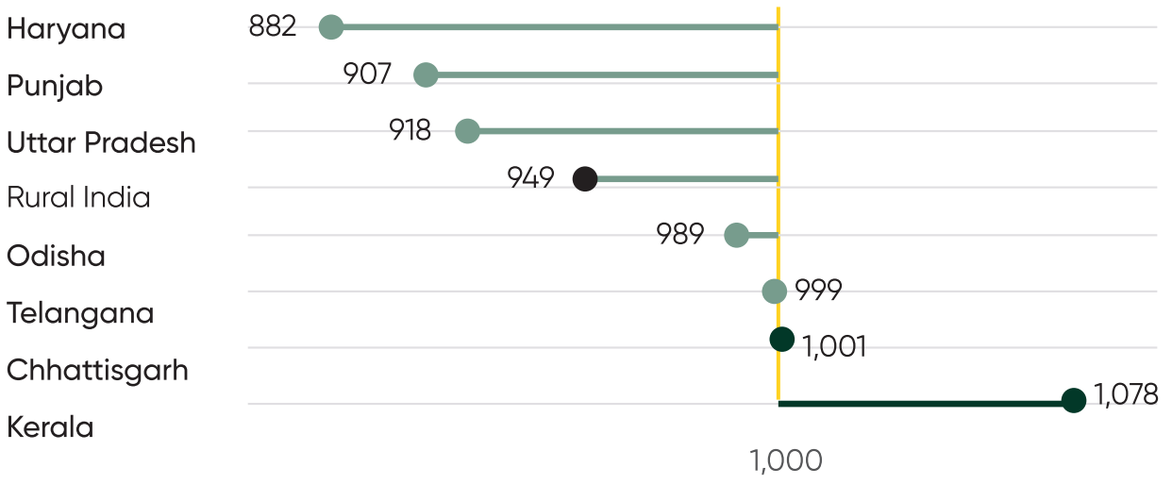


Axis starts at 55%. State figures refer to the total population.



Sex ratios also vary. In 2011, rural sex ratios were lowest in Haryana (882 women per Younger 1,000 men), Punjab (907) and Uttar Pradesh (918), and highest in Kerala (1,078), Chhattisgarh (1,001), Telangana (999) and Odisha (989), compared with 949 for rural India. [13] Northern and central markets with younger, more male population may see greater demographic profiles may affect demand for education, nutrition and mobility, but category demand should be validated locally using household composition, income, service availability and expenditure evidence.

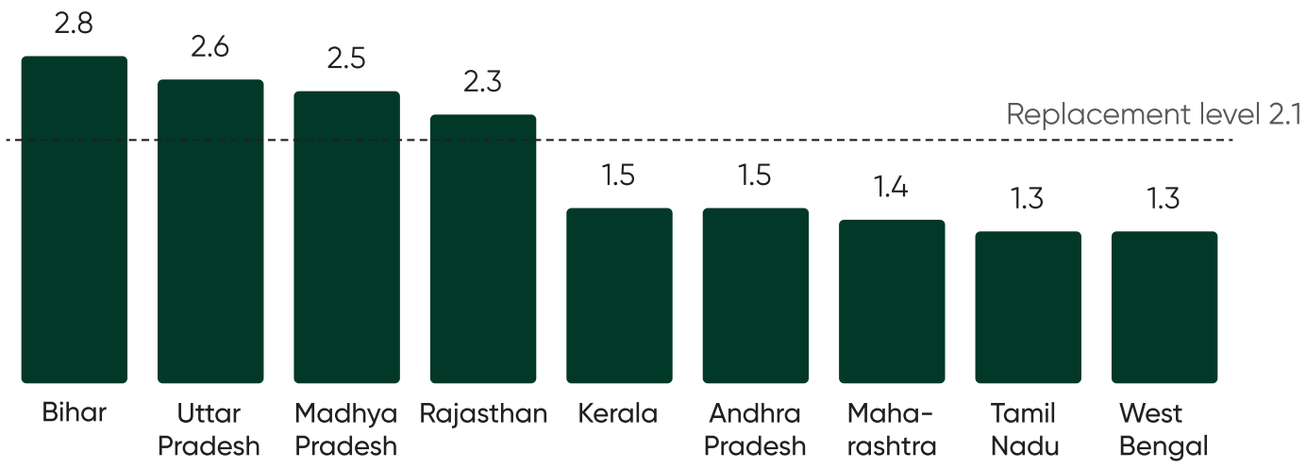
Rural sex ratio, 2011 (women per 1,000 men)





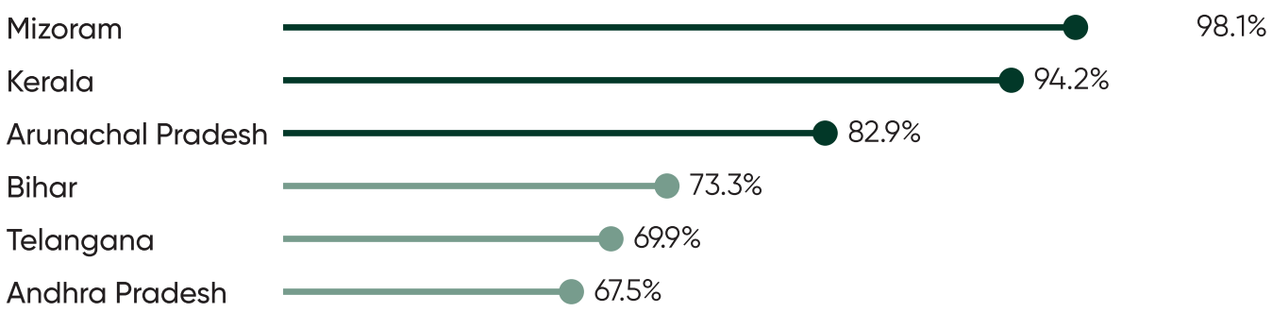
The north-south demographic divide persists. TFR is highest in Bihar (2.8), Uttar Pradesh (2.6), Madhya Pradesh (2.5) and Rajasthan (2.3), and lowest in Tamil Nadu and West Bengal (1.3), Maharashtra (1.4), and Kerala and Andhra Pradesh (1.5). [22] Higher fertility and population momentum will add more young consumers and workers in northern states, although purchasing power will depend on education, employment, migration, female workforce participation and household income. Faster ageing in the south is likely to increase demand for health care, and pensions.

Total fertility rate by state



Literacy and communication needs vary. In PLFS 2023–24, rural literacy is highest in Mizoram (98.1%), Kerala (94.2%) and Arunachal Pradesh (82.9%), and lowest in Andhra Pradesh (67.5%), Telangana (69.9%) and Bihar (73.3%). Lower-literacy markets may require simpler communication, vernacular interfaces and assisted support. [24]

Rural literacy, PLFS 2023–24



Axis starts at 50%.

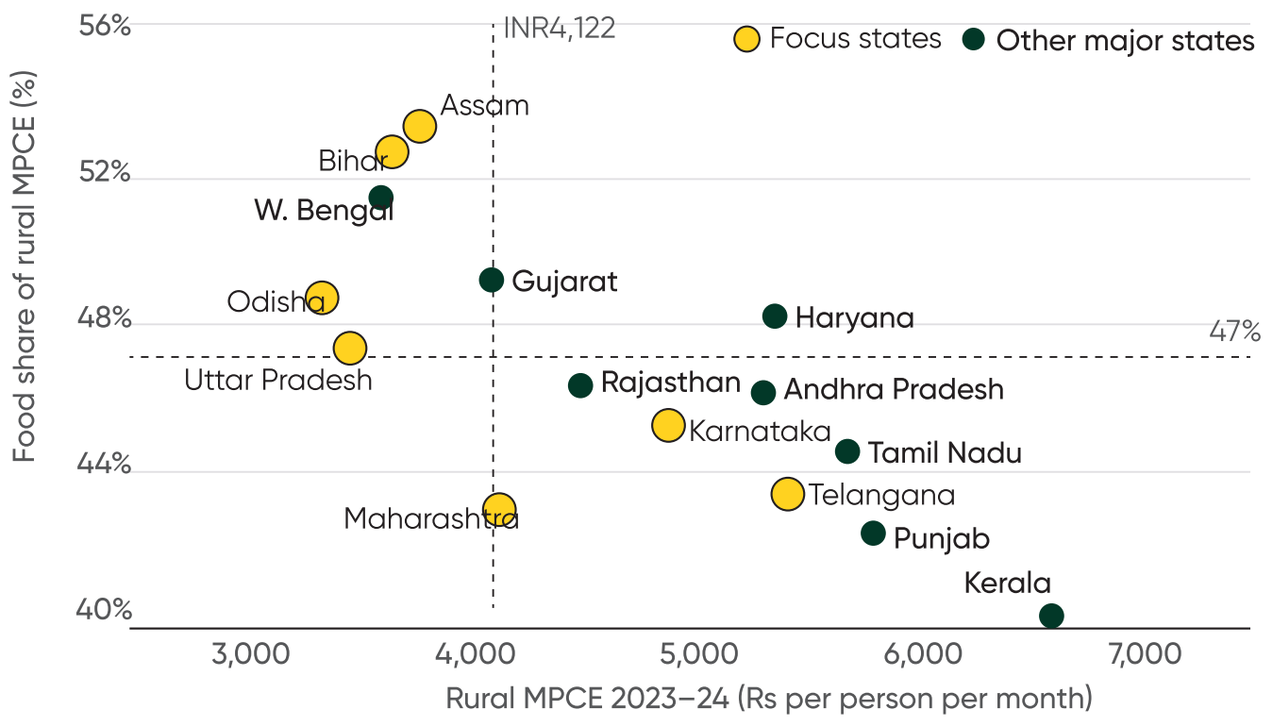
How does the rural household spend?

Within food, beverages, refreshments and processed food account for a significant share. Among non-food expenses, conveyance, health care and durables are important, reflecting demand for convenience, mobility, health and household assets. [17]

Spending levels vary widely across states. Rural MPCE ranges from INR 6,611 in Kerala and INR 5,817 in Punjab to INR 2,946 in Jharkhand and INR 2,739 in Chhattisgarh. Food accounts for more than 51% of spending in eastern states. Arunachal Pradesh has a relatively high MPCE of INR 5,995 but is not plotted because its food share is not published. [17]



Figure 3.3: Rural spending level and food share, major states, 2023-24; Arunachal Pradesh noted separately



Household expenditure indicates the size and composition of demand; the employment and income structure determines how regular that demand is and how it responds to agricultural, wage and weather cycles.

3.4 Economic structure: Agriculture, non-farm activity, employment and income

How does the rural household earn?

Agriculture still dominates rural employment
Agriculture, livestock, forestry and fishing account for about 18% of India's GVA in 2025–26 [25] but employ 46.1% of the national workforce [26] and 56.1% of rural workers [24]. The rural economy accounted for about 46% of national income in 2011–12, the latest available estimate, with manufacturing, construction and services gaining ground. [27] Allied activities are also growing milk production rose from 146 million tonnes in 2014–15 to 248 million tonnes in 2024–25. [26]



Agriculture & allied

~18%
of India's GVA, 2025–26

46.1%
of the national workforce

56.1%
of rural workers



Milk production (million tonnes) ~46%

146 → 248
2014–15 2024–25

Rural economy share of national income, 2011–12 (latest available estimate)



Employment is high, but income regularity varies.

The rural worker population ratio (WPR) is 45.4% nationally, compared with 57.0% in Chhattisgarh, 51.8% in Arunachal Pradesh and 51.5% in Maharashtra. In Arunachal Pradesh, 25.2% of rural households are salaried; regular salaried workers earn INR 28,916 a month, compared with casual wages of INR 329 a day. [24]

Rural worker population ratio (WPR)



INR 28,916 a month, regular salaried

INR 329 a day, casual wages workers

Arunachal Pradesh: 25.2% of rural households are salaried

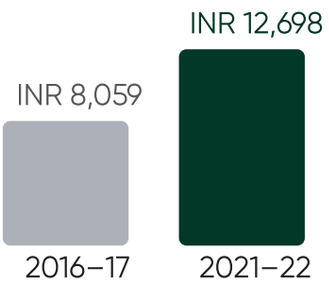
Rural incomes are rising and diversifying.

Average monthly household income in the NAFIS rural and semi-urban survey universe rose from INR 8,059 in 2016–17 to INR 12,698 in 2021–22, an increase of 57.6%, or 9.5% a year. Salaried work is now the largest source, accounting for about 37% of income. [28]

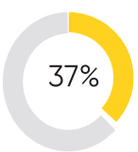
The highest earner in 74.5% of rural households earned less than INR 5,000 a month. [20]

Note: NAFIS net-income estimate for its rural and semi-urban survey universe; excludes transfers and remittances. This income may be extrapolated using the 9.5% nominal CAGR observed between the two NAFIS rounds, although the resulting figures are projections, not surveyed estimates.

Average monthly household income (NAFIS)



+57.6%
9.5% a year



of income from salaried work, now the **largest source**

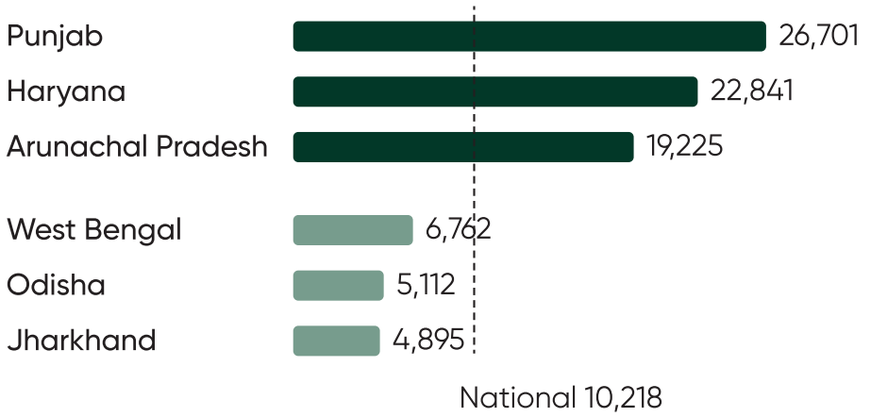


74.5% of rural households: highest earner below INR 5,000 a month (SECC 2011)

Farm incomes vary sharply across states.

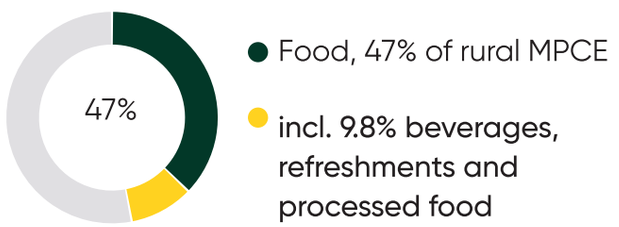
Average monthly income of agricultural households in SAS 2019 ranged from INR 26,701 in Punjab, INR 22,841 in Haryana and INR 19,225 in Arunachal Pradesh to INR 4,895 in Jharkhand, INR 5,112 in Odisha and INR 6,762 in West Bengal, compared with INR 10,218 nationally. [29]

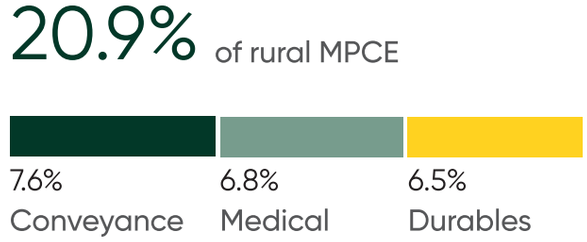
Average monthly income of agricultural households, SAS 2019 (INR)



Higher incomes are accompanied by more varied spending. NAFIS household income rose 57.6% between 2016–17 and 2021–22, while the latest HCES places food at 47% of rural MPCE, including 9.8% for beverages, refreshments and processed food. Together, the surveys point to greater spending on convenience and dietary variety, although they do not establish a causal relationship. [17, 28]

Spending is also extending beyond everyday consumption. Conveyance (7.6%), medical expenditure (6.8%) and durable goods (6.5%) together account for 20.9% of rural MPCE. This supports demand across mobility, health care and household assets, including transport, diagnostics, pharmacies, appliances, financing and after-sales services. [17]



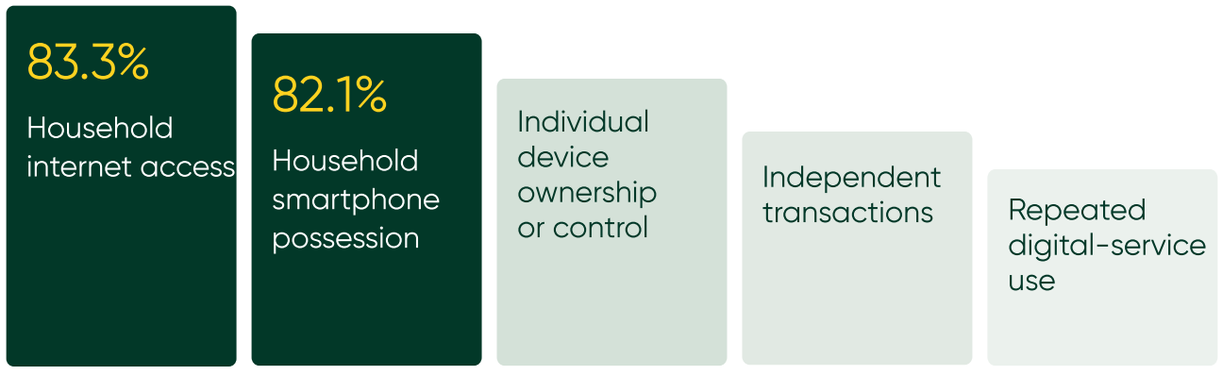




3.5 Physical and digital infrastructure

Basic rural infrastructure has expanded substantially, improving the foundation for household access and business delivery. Opportunities now differ by location based on the maturity of connectivity, service availability and local operating conditions. Digital access is widespread, but individual device ownership, gender gaps and digital confidence still constrain usage.

Digital access hierarchy:



These indicators measure different populations and should not be read as conversion rates. For example, 51.6% of rural women aged 15+ own a mobile phone, while 92.7% of rural people aged 15–29 use the internet. Household connectivity indicates potential reach; device control and digital confidence influence actual use. [34]



of rural women aged 15+ own a mobile phone

of rural people aged 15–29 use the internet

48
internet subscriptions per 100 rural residents

Household connectivity exceeds individual reach. While 83.3% of rural households have internet access and 82.1% have at least one smartphone, rural India has about 48 internet subscriptions per 100 residents. Shared devices and connections partly explain the gap. Digitally addressable markets may be assessed using active users and device ownership, not household connectivity alone. [33, 34]

48.4%
women vs 80.7% men own a mobile phone



The gender gap also affects customer acquisition. Mobile phone ownership among rural women aged 15+ is 48.4%, compared with 80.7% among men. App-only models may therefore miss women in connected households. Vernacular interfaces and assisted onboarding through SHGs, BC Sakhis, CSCs, health workers and other local networks can help bridge this gap. [34]

2.14 lakh
Gram Panchayats service-ready; 5.31 lakh CSCs

Public digital infrastructure has extended reach. By February 2025, BharatNet had made 2.18 lakh Gram Panchayats service-ready, while 5.31 lakh CSCs provide assisted access to government, banking and commerce services. These networks can support onboarding, payments and service delivery, but their commercial value depends on uptime, transaction volumes, operator capability and customer trust. [35, 37]

92.7%
internet use, rural 15–29, 2025

Rural youth are highly connected. Internet use among rural people aged 15–29 reached 92.7% in 2025, widening the potential role of mobile, vernacular and voice-led channels. Older and less digitally confident users may continue to require assisted access. [c]

~ 548 mn
rural internet users, 2025 (IAMAI–Kantar)

Connectivity is expanding rural digital activity. IAMAI–Kantar estimated approximately 548 million rural internet users in 2025. [35] This estimate is not directly comparable with household internet access or telecom subscriptions. Indian-language content use creates opportunities across regional content, social commerce and vernacular education and entertainment.

3.6 Private sector, cooperatives and market intermediaries

The main rural distribution challenge is not demand, but the cost of serving small, dispersed transactions. SHGs, FPOs, cooperatives, kiranas, banking correspondents and other intermediaries can aggregate demand, build trust and support fulfillment. Their commercial value depends on active usage and partner productivity, not just network size. Table 3.4 compares these channels by reported scale, network concentration and commercial use.

Table 3.4: Rural intermediary channels: scale, geographic strength, business use

Intermediary channel	Latest scale	Key areas of concentration	Business use	Scale measures
Farmer Producer Organizations (FPOs) 10,000	10,000 formed under the central scheme (2026); 4,724 linked to e-NAM, covering 1.80 crore farmers	Uttar Pradesh, Bihar and Maharashtra	Farmer aggregation, input distribution, produce sourcing and market linkages	Organizations and participating farmers
PACS and cooperatives 1.07 lakh	1.07 lakh PACS with 13.92 crore members; 8.53 lakh cooperatives	Maharashtra and western India; large membership base in Bihar	Credit, inputs, procurement, storage and multipurpose rural services	Institutions and memberships
SHGs and federations 92.30 lakh	92.30 lakh SHGs and 10.08 crore women mobilized under DAY-NRLM (Aug 2026); 3.46 crore Lakhpati Didis earning INR 1 lakh+ a year	Bihar, Uttar Pradesh and eastern India	Women-focused acquisition, assisted selling, demonstrations and microenterprise partnerships	Groups and enrolled women; livelihood indicator reported separately

Intermediary channel	Latest scale	Key areas of concentration	Business use	Scale measures
Banking correspondents 17.36 lakh	17.36 lakh BCs; 59.09 crore Jan Dhan accounts, 78% in rural and semi-urban areas	Bihar and other high-population states	Payments, cash-in/cash-out, insurance, account servicing and assisted credit	Agent points; bank accounts reported separately
Microfinance institutions (MFIs) INR 3.25 lakh crore	INR 3.25 lakh crore gross loan portfolio (March 2026) (MFIN)	Eastern India; Bihar and Uttar Pradesh are major markets	Enterprise and consumption credit, particularly for women borrowers	Outstanding loan portfolio
Kiranas and rural retail 8.4%	Rural FMCG volumes grew 8.4% in Q2 2025, compared with 4.6% in urban India	National; relevance varies by distributor depth and market-village density	Packaged goods, local fulfillment, assisted ordering and product discovery	Market growth, not network size

Source: Ministry of Agriculture & Farmers' Welfare [26, 39]; Ministry of Cooperation, National Cooperative Database [39]; Ministry of Rural Development (MoRD) [40]; Ministry of Finance [37]; Department of Financial Services, PMJDY (Sept 2026) [21]; MFIN Micrometer Q4 FY26 [43]; NielsenIQ [54]



Intermediary Networks: regional strengths and route-to-market implications

Intermediary strength varies by region. Eastern India has stronger SHG and microfinance networks, while western India has deeper cooperative networks across dairy, sugar, credit and procurement. FPOs have expanded across populous northern states. Partner selection should therefore reflect the product, customer and strength of local networks rather than a uniform national approach.

Network size does not necessarily indicate commercial activity. Assam has a high number of Jan Dhan accounts relative to its rural population, but an average balance of INR 2,936, compared with INR 5,357 nationally.[42] Registered FPOs, PACS, SHGs and banking correspondents may also vary in activity and transaction readiness. Partner assessment should consider active users, transaction frequency, turnover and service reliability, not just registration counts.



Partner-led distribution can lower last-mile costs, but execution remains important. Kiranas, SHGs, FPOs, banking correspondents and CSCs can aggregate customers and transactions while providing local reach and trust. Their effectiveness depends on incentives, training, service quality, data visibility and accountability. Scalable models can combine these networks with selective owned teams and distributor oversight.



Route-to-market design by settlement density and product category

1. Larger villages can serve as distribution nodes. With 2,000 or more residents account for an estimated 59.9% of the rural population, supporting sub-stockists, dealers, diagnostics, banking agents and direct kirana servicing. Location decisions should also consider road connectivity, surrounding catchment and purchasing power.

2. Dispersed settlements require demand aggregation. In Odisha, Chhattisgarh, Jharkhand and hill states, block-level hubs, weekly haats, van routes and community institutions can aggregate demand across villages. Route economics depend on the number and value of transactions per route or field visit, not just distance.

3. Digital access supports, rather than replaces, the physical last mile. CSCs, banking correspondents and India Post Payments Bank access points can support onboarding, ordering, payments and cash services. Physical fulfillment, demonstrations, grievance resolution and trust-building still require nearby agents, retailers or service partners. [37, 38]

4. Channel design should reflect the product. FMCG requires frequent replenishment through distributor-kirana networks; durables and vehicles need dealers, financing and after-sales service; financial products need assisted onboarding and customer protection; and agricultural inputs require seasonal inventory, advisory and trusted farmer-facing channels.



Route-to-market decision sequence

01 Is customer or transaction density sufficient?

02 Can nearby villages be aggregated through a hub, route or weekly market?

03 Which trusted intermediary already serves the target customer?

04 Does the transaction value cover partner and last-mile costs?



Section conclusion: Channel productivity matters more than network size

The key measures are active customers, transactions per partner, delivery cost per transaction, service quality and contribution margin. Strong rural business models sustain these metrics as they expand beyond initial clusters.

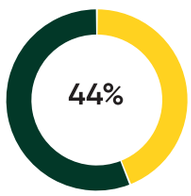
Active customers	Transactions per partner	Delivery cost per transaction	Service quality	Contribution margin

3.7 Administrative structure: village, Gram Panchayat, block, tehsil and district

Rural India operates through overlapping administrative and local government structures. Settlements comprise habitations and revenue villages. Revenue administration generally runs from the district to the sub-district, known across states as a tehsil, taluk or mandal, and then to the revenue village.

Rural local government comprises district, intermediate or block, and Gram Panchayats, while development programs operate through districts, blocks, Panchayats and village-level workers. The three-tier Panchayati Raj structure varies by state: states with populations below 20 lakh may omit the intermediate tier, while special or traditional arrangements apply in certain Scheduled, tribal and northeastern areas.

The Gram Sabha comprises people registered on the electoral rolls within the Gram Panchayat area and performs planning, beneficiary selection, accountability and social audit functions under the relevant state Panchayati Raj law. Boundaries and institutional arrangements vary by state. [44, 46, 47] India has about 31 lakh elected Panchayat representatives, around 44% of whom are women. [46]



~31 lakh

elected Panchayat representatives; around 44% women



Table 3.5: Rural Bharat's administrative and local-delivery structure

System	Unit and latest count	Principal role	Practical relevance
Revenue Administration	District: 784	Administration, departmental coordination, revenue and public order	Departmental coordination and scheme convergence
Revenue administration	Sub-district / tehsil / taluk / mandal: 7,092	Land records, mutation, revenue administration and certificates	Land, boundary and ownership verification
Development administration	Development block: 7,327	Program coordination and implementation led by the BDO and line departments	Field operations and service hub; not necessarily a market catchment
Local self-government	District Panchayat: 675; Block Panchayat: 6,769	Local planning, representation and selected civic and development functions	Local government and program coordination, where these tiers exist
Local self-government	Gram Panchayat: 2,55,396	Local planning, representation, civic functions and program outreach	Local infrastructure, mobilization, outreach and camps
Settlement and representation	Ward — number and population set by state law	Most granular elected interface within a Gram Panchayat	Community mobilisation and feedback; not a uniform customer territory
Settlement and service delivery	Village — 6.77 lakh total; 6.42 lakh rural	Household outreach through frontline public workers; commercial services through retailers, agents and local institutions	Customer access and service delivery; public workers should not be treated as general business channels

Bars show unit counts on a logarithmic scale.

Source: Local Government Directory, Ministry of Panchayati Raj (accessed 17 October 2026) [44]; NIRDPR Rural Development Statistics 2019-20, Section 9 [46]; EAC-PM working paper on rural and urban India [47]. LGD is dynamic and counts may change with administrative updates.

Key structural implications across states

1. Panchayat catchments vary widely by state. Indicative ratios suggest that a Gram Panchayat serves about 3,260 rural residents nationally, compared with more than 18,500 in West Bengal and Kerala, more than 11,000 in Assam and Bihar, and about 500 in Arunachal Pradesh. Uttarakhand, Punjab, Chhattisgarh and Telangana range from roughly 900 to 1,700. [13, 46] These are administrative catchments, not current population estimates, as the population and Panchayat counts are from different years and boundaries may have changed.

2. Wards are the most granular elected unit, but not uniform market territories. Their number and population vary by state. They can support community mobilization and feedback but are not comparable customer catchments.

3. A Gram Panchayat does not necessarily correspond to a village. It may cover one village, part of a large village or several villages, while blocks and tehsils may follow different boundaries. The number of local counterparts required for implementation therefore varies by state.

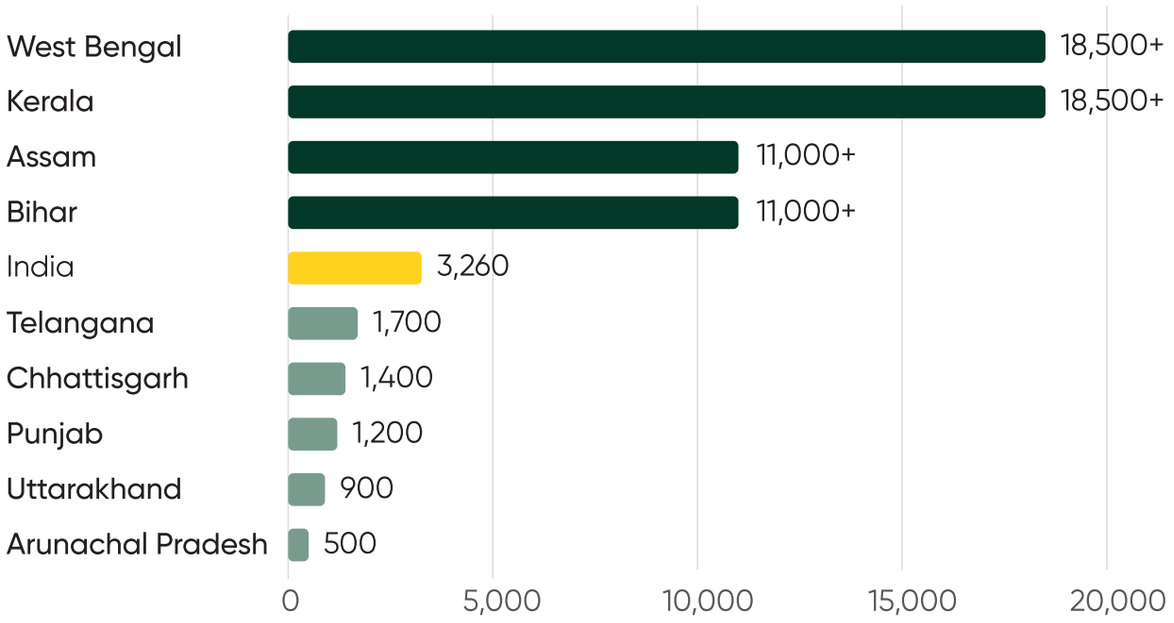


4 Public funds and implementation follow different routes. DBT payments generally go directly to beneficiary bank accounts, while districts, blocks and Gram Panchayats support beneficiary verification, local planning, implementation, monitoring and grievance handling under programs such as MGNREGS and PMAY-G. Effects on household liquidity depend on program coverage, payment regularity and local implementation.

5 The appropriate unit depends on the activity. Villages and habitations matter for customer access; Gram Panchayats and wards for mobilization and program interface; blocks for field operations and service hubs; sub-districts for land and revenue matters; and districts for departmental and infrastructure coordination. Rural expansion therefore requires a linked settlement, administrative and market map rather than a single hierarchy.

Figure 3.4: Rural residents per Gram Panchayat

Indicative rural residents per Gram Panchayat



Settlement patterns, administrative catchments, household spending and delivery conditions vary across states. The report therefore groups states into broad rural-market archetypes before assessing sector opportunities.



3.8 State and sector prioritisation lens

The 18 major states account for approximately 96% of India's projected rural population. Arunachal Pradesh is included separately to represent small, dispersed hill and northeastern markets. States are assessed across five dimensions: rural market scale, population momentum, settlement density, purchasing power and delivery conditions. The eight focus states represent distinct rural-market archetypes rather than the highest-ranked markets on any single indicator.

Rural market scale

Population momentum

Settlement density

Purchasing power

Delivery conditions



of India's projected rural population lives in the 18 major states

Table 3.6: State comparison and rural market archetypes

● A: Scale-led rural market ● B: East-central affordability markets ● C: Urban-linked south and west
● D: Higher-spend agrarian north ● E: Dispersed hill and northeast

State	Region	Rural population, 2021 (million)	Rural share, 2021 (%)	Rural CAGR, 2011–21 (%)	Population density, Census 2011 (per sq km)	Per capita NSDP, 2024–25 (INR '000)	Rural MPCE, 2023–24 (INR)	Rural market archetype
Uttar Pradesh	North-central	176.1	76.3	1.26	829	109	3,481	●
Bihar	East	108.2	87.9	1.59	1,106	69	3,670	●
Maharashtra	West	64.7	52.0	0.50	365	309	4,145	●
West Bengal	East	62.8	64.0	0.11	1,028	163	3,620	●
Madhya Pradesh	Central	60.2	71.2	1.37	236	153	3,441	●
Rajasthan	Northwest	58.4	73.7	1.27	200	185	4,510	●
Karnataka	South	37.8	56.6	0.09	319	381	4,903	●
Gujarat	West	36.5	52.3	0.50	308	298*	4,116	●
Tamil Nadu	South	36.1	47.2	−0.32	555	362	5,701	●
Odisha	East	35.9	81.5	0.26	270	169	3,357	●
Andhra Pradesh	South	34.2	64.7	−0.18	308	266	5,327	●
Assam	Northeast	29.7	84.7	1.02	398	159	3,793	●
Jharkhand	East	28.5	74.2	1.31	414	117	2,946	●
Chhattisgarh	Central	21.7	73.5	1.01	189	163	2,739	●
Telangana	South	20.2	53.6	−0.66	312	388	5,435	●
Punjab	North	17.9	58.9	0.30	551	221	5,817	●
Haryana	North	17.4	59.1	0.54	573	353	5,377	●
Kerala	South	10.3	29.0	−5.16	860	308	6,611	●
Arunachal Pradesh	Northeast	1.1	74.4	0.70	17	247	5,995	●
India	–	891.4	65.5	0.67	382	205	4,122	

Highlighted rows: focus states

Source: Census 2011 [13]; Technical Group projections [15]; RBI, Handbook of Statistics on Indian States 2024-25 [48]; MoSPI national accounts (India per capita net national income, NNI) [49]; HCES 2023-24 [17]. *Gujarat: 2023-24 (2024-25 not published). Groups are analytical, not official Indicators use different reference periods and are intended for directional comparison only.

Share of rural India by archetype



1. **Scale-led rural markets (Uttar Pradesh, Bihar, Madhya Pradesh and Rajasthan):** About 45% of rural India, with rural CAGR of approximately 1.26%–1.59%, well above the national rate. Scale favors affordable offerings, high-throughput distribution and cluster-based expansion. Focus: Uttar Pradesh and Bihar.

2. **East-central affordability markets (West Bengal, Odisha, Jharkhand, Chhattisgarh and Assam):** About 20% of rural India, with rural MPCE of INR2,739–INR3,793 and dispersed or tribal settlements outside the Gangetic plains. Cost-efficient, institution-led delivery is particularly relevant. Focus: Odisha, Assam and Chhattisgarh.

3. **Urban-linked south and west (Maharashtra, Karnataka, Telangana, Tamil Nadu, Andhra Pradesh, Gujarat and Kerala):** About 27% of rural India, with generally higher incomes and rural spending but flat or declining rural populations. These markets favor higher-value services and corridor-led models. Focus: Maharashtra, Karnataka and Telangana.

4. **Higher-spend agrarian north (Punjab and Haryana):** About 4% of rural India, with relatively high rural MPCE and agricultural household income. While outside the focus set, these states remain relevant for categories such as premium agricultural inputs and dairy.

5. **Dispersed hill and northeast (Arunachal Pradesh as comparator):** A small, dispersed market with above-average MPCE but high delivery costs. Reach depends on local institutions, hub-and-spoke logistics and assisted channels.



Table 3.7: Focus States and reason for inclusion

The eight focus states reflect differences in rural market scale, purchasing power, population momentum, settlement patterns, institutional depth and last-mile delivery conditions.

Focus state	Principal reason for inclusion
01 Uttar Pradesh	Largest rural market with a dense population
02 Bihar	High rural share, strong population growth and affordability-led demand
03 Maharashtra	Large, diversified market with agriculture, industry and urban linkages
04 Karnataka	Higher-spend southern market with strong technology and service ecosystems
05 Telangana	High rural MPCE, smaller households and digital-service potential
06 Odisha	Lower-spend, dispersed market with strong institutional networks
07 Chhattisgarh	Dispersed and tribal settlements, low MPCE and high rural workforce participation
08 Assam	Northeastern gateway with dispersed catchments and distinct logistics

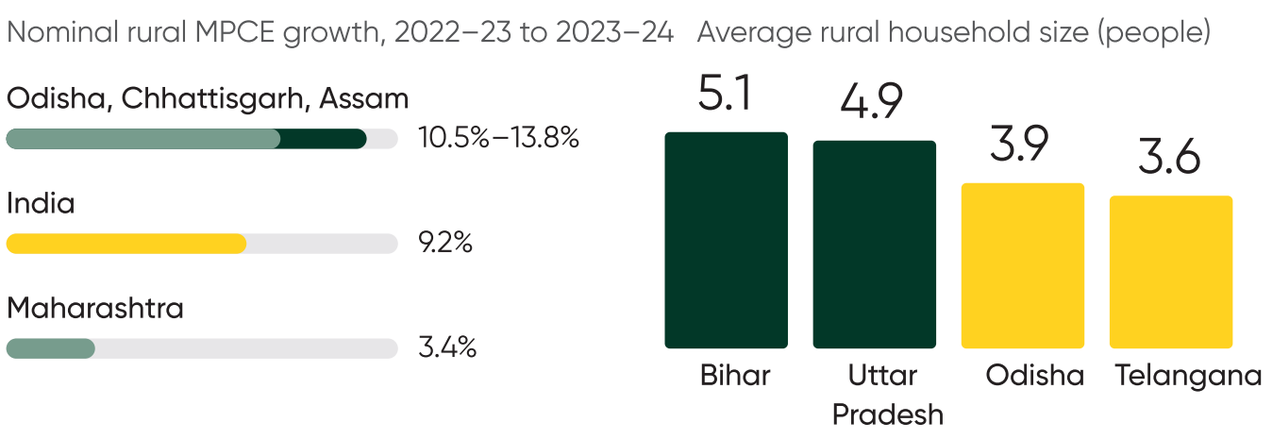


Key insights: geography and trends

1. State income does not translate directly into rural spending. Gujarat and Maharashtra have per capita incomes well above the national average, but rural MPCE remains close to the national level. Punjab, Kerala and Telangana have materially higher rural consumption. State income is therefore a weak proxy for rural market size; farm income, salaries, remittances, household structure and rural-urban distribution also matter. [17, 29, 48]

2. Rural spending is growing faster in some lower-income states. Odisha, Chhattisgarh and Assam recorded nominal rural MPCE growth of 10.5%–13.8% between 2022–23 and 2023–24, above the national rate of 9.2%, while Maharashtra grew 3.4%.[17] The trend is notable, but one year of growth does not mean sustained convergence. Volume growth, repeat purchases and unit economics remain important tests.

3. Smaller households create more consumption units for the same population. Rural households average 5.1 people in Bihar and 4.9 in Uttar Pradesh, compared with 3.6 in Telangana and 3.9 in Odisha.[17] At the same population, an average household size of 3.6 would imply about 42% more households than an average of 5.1. This does not imply proportionately higher demand, but it can increase the number of separate purchasing decisions for housing, appliances, connectivity and household services.



Sector prioritisation:
matching demand signals to state archetypes

The sector screening identifies where different operating models are likely to fit best, rather than assigning sectors to specific states. A sector may require an affordable, assisted model in the scale-led rural markets, a higher-value service model in the south and west, or a hub-and-spoke model in dispersed eastern and northeastern markets. The screen is directional, not a weighted ranking. Business decisions should also consider ticket size, purchase frequency, customer outcomes, competition, regulation and unit economics.

Comparison lens: Demand recurrence captures purchase frequency and seasonality; last-mile complexity captures physical delivery and service intensity; assisted delivery reflects the need for trusted onboarding, demonstration or support. These factors should be assessed for each operating model rather than through a uniform sector rating.

Demand recurrence

Last-mile complexity

Assisted delivery



Directional sector opportunity screen for Rural Bharat (continued)

Agriculture and allied value chains

Demand and enabling signals

Agriculture supports 56.1% of rural jobs; 10,000 FPOs expand aggregation capacity; farm incomes and value chains vary widely. [24, 29,39]

Priority opportunity

Quality assessment, market linkages, allied activities, storage, advisory and seasonal working capital

Best-fit state archetypes

Scale-led rural markets for aggregation; Higher-spend agrarian north for productivity and premium inputs; institution-led east-central markets

FMCG and packaged food

Demand and enabling signals

Beverages, refreshments and processed food account for 9.8% of rural MPCE; rural FMCG volumes grew 8.4%, compared with 4.6% in urban India. [17, 45]

Priority opportunity

Regional processed foods, distributor technology, kirana replenishment and cold-chain products

Best-fit state archetypes

Scale-led rural markets and east-central markets for affordable volume; urban-linked south and west for higher-value formats

Rural commerce and enterprise enablement

Demand and enabling signals

Kirana, SHG, FPO and microenterprise networks create recurring procurement, inventory and transaction needs. [39, 40, 41, 42, 43, 44, 45]

Priority opportunity

B2B kirana supply, merchant digitization, bookkeeping, procurement, local fulfillment and working-capital tools

Best-fit state archetypes

Scale-led rural markets and urban-linked south and west; institution-led channels in east-central markets

Financial services

Demand and enabling signals

59.09 crore Jan Dhan accounts and an INR 3.25 lakh crore MFI portfolio (MFIN) indicate broad financial reach, while irregular cash flows create transaction and protection needs. [42,43]

Priority opportunity

Savings, insurance, payments, working capital and cash-flow-aligned credit, with indebtedness checks and responsible collections

Best-fit state archetypes

All archetypes; assisted high-volume models in scale-led rural markets and east-central markets; digitally enabled services in the south and west

Consumer durables and household services

Demand and enabling signals

Durables account for 6.5% of rural MPCE; housing, tap-water coverage and household growth support upgrading but do not establish demand. [17, 31, 32]

Priority opportunity

Affordable appliances, financing, installation, repair, water-related products and after-sales services

Best-fit state archetypes

Urban-linked south and west and Higher-spend agrarian north for higher-value demand; scale-led rural markets for first-time ownership



Rural mobility and logistics

Demand and enabling signals

Conveyance accounts for 7.6% of rural MPCE; more than 7.88 lakh km of PMGSY roads improve access to markets and services. [17, 30]

Priority opportunity

Shared transport, passenger-goods aggregation, vehicle finance, first- and last-mile links and fleet services

Best-fit state archetypes

Rural markets and urban corridors where density supports utilization; dispersed markets with anchor demand or route aggregation

Education and livelihood-linked skilling

Demand and enabling signals

Rural youth provide scale, and 92.7% of those aged 15–29 use the internet, although learning infrastructure and employment outcomes remain uneven. [24, 34]

Priority opportunity

Hybrid remedial learning, teacher tools, exam preparation and job-linked training measured by placement and earnings

Best-fit state archetypes

Scale-led rural markets for learner scale; south and west for employer links; blended delivery in dispersed markets

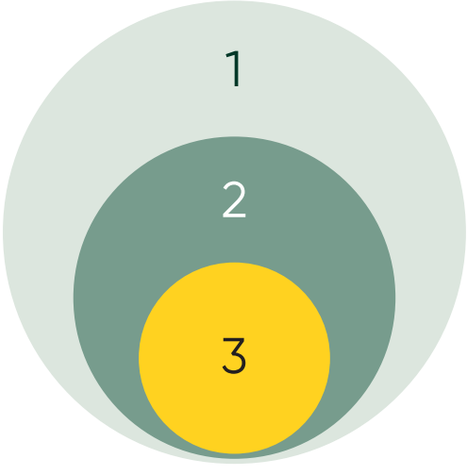


High need does not automatically mean high investability. Health care, mobility, finance and education may have significant unmet need, but commercial viability depends on repeat demand at a price that covers acquisition, physical fulfillment and service delivery. Sector prioritization should therefore consider ticket size, purchase frequency, service intensity and route-to-market requirements across state archetypes.

3.9 Rural retail: market definition and addressable market

For this report, rural retail covers the sale and local availability of consumer goods to households in Census-defined rural settlements, including channels that support discovery, purchase, payment, replenishment, credit and after-sales service. These include kiranas, distributors, wholesalers, weekly haats, women-led and SHG sellers, durable dealers and service points, and digitally enabled retailer ordering. It excludes pure services and is distinct from rural e-commerce, which uses digital channels to coordinate discovery, ordering, fulfillment, payments and returns.

Three-layer market-sizing lens



1 Illustrative HCES-based household expenditure benchmark: approx INR42 lakh crore

2 Serviceable addressable market: Categories, geographies and customers that can be reached economically

3 Obtainable market: Share supported by route capacity, outlet coverage, repeat purchase and competition

Market scale and demand characteristics

An estimated 19.4 crore rural households in 2023–24, with an average household size of 4.4 and monthly per capita consumption expenditure of INR4,122, imply a population base of 85.36 crore and an annual consumption pool of approximately INR42 lakh crore. This is an expenditure benchmark, not an observed retail-market size, as HCES includes services and other non-retail expenditure. [13, 17] (Illustrative annual rural household consumption expenditure based on the HCES survey universe)

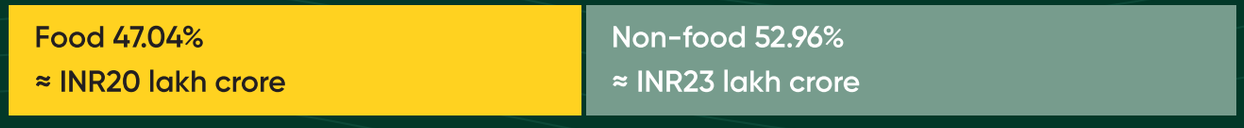
19.4 crore
estimated rural households, 2023–24

4.4
average household size

INR4,122
monthly per capital consumption expenditure

INR 42 lakh crore
approximate annual consumption pool

Share of rural MPCE and implied annual expenditure pool



Food accounts for 47.04% of rural MPCE, while non-food categories account for 52.96%. Applying these shares to the estimated annual rural consumption expenditure derived from the implied rural population based on HCES household estimates and average household size and HCES 2023–24 MPCE indicates expenditure pools of approximately INR20 lakh crore for food and INR23 lakh crore for non-food categories.

Beverages, refreshments and processed food account for 9.84% of rural MPCE, implying an expenditure pool of approximately INR4.2 lakh crore, while durable goods account for approximately 6.5%, implying approximately INR2.7 lakh crore. These estimates are analytical expenditure pools derived from population projections and survey-based MPCE and should not be interpreted as directly addressable market sizes. [13,17]

Beverages, refreshments and processed food



9.84% of MPCE · INR 4.2 lakh crore

Durable goods



6.5% of MPCE · INR 2.7 lakh crore

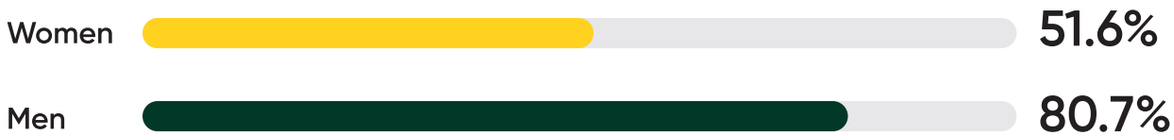
Women are important as both consumers and distribution partners. Rural female labor-force participation was 47.6% in 2023–24, while DAY-NRLM had mobilized 10.08 crore women into 92.3 lakh SHGs. Mobile ownership, however, was 51.6% among rural women aged 15+, compared with 80.7% among rural men. Women-focused models may therefore need vernacular communication and assisted channels alongside digital acquisition. [24,34,41]

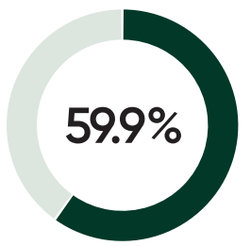
47.6%
rural female labor-force participation, 2023–24

10.08 crore
women mobilized under DAY-NRLM

92.3 lakh
SHGs

Mobile ownership, rural population aged 15+





Settlement patterns also shape serviceability. An estimated 59.9% of rural residents live in villages with 2,000 or more people, supporting denser retailer and distributor catchments. Smaller and dispersed settlements require aggregation through weekly markets, hub-and-spoke routes and local partners. Market potential should therefore consider households, expenditure, category and route economics, not just population.



TAM availability and estimation approach

A single, current and authoritative TAM for rural retail is not available in the evidence reviewed. Consumer surveys provide population, household and expenditure data, while industry sources cover selected categories such as FMCG. These measures do not capture the full rural-retail market on a consistent basis.

Where category data are available:

Sector TAM =
rural population or households x category expenditure per person or household x 12 months

The estimate should then be narrowed using category penetration, purchase frequency, target household segment, channel coverage and settlement density. For durables and other infrequent purchases, replacement cycles and financing eligibility should also be considered.

Where district-level category data are unavailable:

Indicative district expenditure pool =
district rural population or households x state rural MPCE x category share x 12 months

The estimate can be refined using village size, road access, retailer density, SHG presence, digital access, income sources and distance from wholesale or service hubs. Because state averages can mask substantial district-level variation, the result should remain an indicative expenditure pool until validated against retailer surveys, distributor throughput, household research or transaction data.



3.10 Key takeaways

1. Size rural markets around households and spending, not population or state income alone. Household counts, category penetration, expenditure patterns and income sources provide a stronger basis for demand estimates, category selection and pricing.

2. Match delivery models to settlement density. Larger villages support concentrated service networks; dispersed settlements require aggregation through hubs, routes, weekly markets and local institutions. Viability depends on transaction value per route, partner or visit—not coverage alone.

3. Turn digital reach into repeat use through trusted local channels. Combine digital onboarding with nearby fulfilment and customer support, measuring performance through repeat transactions, partner productivity, service quality and margins after last-mile costs.

Rural Bharat is not a single market.

Investment potential depends on household spending, settlement density, institutional reach and cost to serve. Scalable models turn access into repeat transactions while maintaining service quality and positive contribution margins.





04 Government Programmes as Market Enablers

4.1 The role of government in rural transformation

Government programmes shape rural markets through complementary interventions in income, risk protection, infrastructure, financial access, digital connectivity and public services. Their economic value grows when these interventions reinforce one another. For example, bank accounts support transfers, savings and payments; roads widen access to markets and services; health-financing programmes complement primary and hospital care; and school connectivity can support digital learning. This chapter examines how businesses can build on these public foundations.

Table 4.1: How government programs change rural markets

Area	What the government does	What changes for rural households	What it means for businesses
Income	Cash transfers, livelihood support and loans	More money in hand and more ability to run a small business	More spending on farm inputs, health care, goods and services
Protection	Crop insurance and low-cost life and accident cover	Less damage to family budgets when crops fail or someone falls ill or dies	More demand for insurance, advice and formal finance
Physical access	Rural roads, irrigation infrastructure, health facilities and support for last-mile transport	Shorter or more reliable journeys to markets and services, subject to the availability of affordable transport	Businesses can reach more customers at a lower cost
Digital access	Broadband, digital identity, online platforms and assisted service centres	Easier to find, sign up for and pay for services	Room for models that combine online and local, in-person service
Payments	Unified Payments Interface, Aadhaar Enabled Payment System, banking correspondents and India Post Payments Bank	Cheaper payments that leave a record, and cash available close to home	Easier merchant payments and, with appropriate customer consent and safeguards, transaction records that may support credit assessment

Table 4.1: How government programs change rural markets (continued)

Area	What the government does	What changes for rural households	What it means for businesses
Skills	School buildings, digital classrooms, early-grade learning and job training	Better learning, job readiness and digital skills	Demand for learning content, training and education loans
Formal records	Bank accounts, government registries and online market platforms	People and businesses have documented records	Documented records may support assessment by lenders and buyers where access is lawful and appropriate consent and safeguards apply
Group strength	Self-help groups (SHGs) and farmer producer organisations (FPOs)	Members pool produce and savings and bargain together	Lower cost of reaching customers through trusted local groups



4.2 How public programmes are changing rural markets

Government programmes shape rural markets through several connected routes. Some put money directly into household or enterprise accounts. Others reduce financial risk, improve roads and digital connectivity, build local institutions or make essential services easier to reach. Their effect is strongest when these elements work together. A bank account becomes more useful when income flows through it, while a road has greater economic value when transport, buyers and services are available at the other end.

Agriculture programmes are gradually extending support beyond cultivation. PM-KISAN and crop insurance support household liquidity and risk protection, while micro-irrigation and the Agriculture Infrastructure Fund support productive assets. e-NAM and FPO programmes address aggregation and market access. Together, these measures can strengthen demand for inputs, irrigation equipment, storage, grading, processing, working capital and buyer linkages. The practical value for farmers will depend on timely services, reliable assets and dependable buyers.

Health programmes are beginning to connect different stages of the patient journey. Ayushman Arogya Mandirs and the National Health Mission bring screening and primary care closer to communities, while PM-JAY finances eligible hospital treatment. PM-ABHIM supports laboratories and critical-care infrastructure, and the Ayushman Bharat Digital Mission provides a framework for linked health records. This creates space for models that connect consultation, diagnostics, medicines, referral and follow-up instead of providing each service separately.



Digital infrastructure is widening the routes through which rural households and enterprises can transact. BharatNet supports connectivity, Common Services Centres provide assisted access, and ONDC can link buyers and sellers across applications. DAY-NRLM and PMFME help women-led groups and small food-processing businesses organise, formalise and reach markets. These programmes can make digital commerce more accessible, but fulfilment, product quality, returns and local assistance will determine whether customers and sellers continue to use the channel.

Financial inclusion is moving from account access towards a wider set of household and enterprise needs. PMJDY provides the basic account layer, while MUDRA, Kisan Credit Cards and SHG-bank linkage support business and agricultural credit. Low-cost insurance and pension schemes add protection. UPI enables payments, while AePS, banking correspondents and India Post Payments Bank help customers transact close to home. The next stage will depend on regular account use, suitable products, responsible lending and viable earnings for local agents.

Education and skilling programmes address both classroom learning and the transition to work. Samagra Shiksha and PM SHRI support school infrastructure, while NIPUN Bharat focuses on foundational learning. DDU-GKY and RSETIs support wage employment and self-employment pathways. These programmes can create demand for learning materials, assessment tools, teacher support and employer-linked training, but their value ultimately lies in learning gains, employment retention and higher earnings.

Mobility programmes can enlarge rural service areas, but route economics remain local. PMGSY improves road access, while PM E-DRIVE, Aajeevika Grameen Express Yojana and state transport initiatives support vehicles and passenger services. PM GatiShakti and the National Logistics Policy provide a wider planning framework for freight and infrastructure. These measures can support passenger transport, goods movement, vehicle finance, charging and maintenance, particularly where routes have regular demand and limited empty movement.

The detailed inventory of programmes, implementing agencies, objectives and rural-market linkages is provided in Annexure 2. The sections that follow focus on reported reach, evidence of use and the business conditions created within each sector.

4.3 How to read the program tables

The following tables distinguish programme mechanisms, reported reach or committed resources, evidence of usage or outcomes, and commercial implications. These measures are not interchangeable. Enrolment does not mean active use, sanctioned expenditure does not mean completion, and infrastructure counts do not show service quality or commercial demand. Figures retain their source-specific reporting dates; national totals should not be read as rural-only measures.

Enrolment

≠

Active use

Sanctioned expenditure

≠

Completion

Infrastructure counts

≠

Service quality or commercial demand

Coverage is not the same as functionality: Hospital cover has limited practical value without an accessible provider. An internet-connected school still needs working computers and actual classroom use.



4.4 Agriculture

Together, PM-KISAN, PMFBY, micro-irrigation, AIF and e-NAM support household liquidity, risk protection, productive assets and market access. Their commercial relevance is strongest for businesses linking farmers with inputs, storage, quality testing, finance and dependable buyers. Performance should be assessed through repeat farmer use, asset utilisation and price realisation.

9.4 crore
PM-KISAN: farmers paid, 18th instalment

4.19 crore
PMFBY: enrolment, FY2024–25

1.15 crore
Per Drop More Crop: hectares under micro-irrigation

1,656
e-NAM: mandis linked

Table 4.2: Agriculture programs

Programme or public rail	Mechanism	Reported reach or committed resources	Evidence of usage or outcome
PM-KISAN Household liquidity	INR 6,000 annually to eligible farmer families in three instalments. [1]	9.34 crore farmers paid in the 18th instalment.[1] More than INR4.64 lakh crore paid over 24 instalments. Source: PIB; 30 Oct 2026	Provides recurring cash support directly to eligible farmer-family bank accounts; crop-cycle alignment is not established.
PMFBY Household risk protection	Insurance against notified crop losses	Enrolment rose from 3.17 crore in FY2022–23 to 4.19 crore in FY2024–25 [3]	More than INR2.06 lakh crore in claims paid on over 26.33 crore farmer applications since 2016 [4]
Per Drop More Crop Productive infrastructure	Drip and sprinkler irrigation	1.15 crore hectares brought under micro-irrigation by July 2026 [5]	FY2025–26 coverage was highest in Maharashtra, Karnataka, Andhra Pradesh, Tamil Nadu,[5] Gujarat and Rajasthan
Agriculture Infrastructure Fund Productive infrastructure	Post-harvest asset finance; 3% annual interest support and credit guarantee for eligible loans up to INR2 crore. [6]	Not included in the cited evidence	Warehouses, cold storage, grading and processing; viability depends on throughput and local demand
e-NAM Market access	Online mandi linkage and price discovery	1,656 mandis, more than 1.80 crore farmers and 4,724 FPOs registered [7]	INR4.84 lakh crore of trade between 2016 and March 2026 [7]

[1]–[5], [7] Press Information Bureau; [2] All India Radio News; [6] Ministry of Agriculture and Farmers Welfare.

4.5 Health

Arogya Mandirs, PM-ABHIM and PM-JAY together support screening, primary care, diagnostics and hospital financing, complemented by digital health records that could improve continuity across providers. Their relevance is strongest for care models connecting screening, diagnostics, referrals, pharmacy and chronic-care services rather than adding isolated points of care.

Their performance may be assessed through functional service availability, completed referrals and repeat patient use.

48.51 crore
PM-JAY: Ayushman cardholders

1,87,261
Ayushman Arogya Mandirs: as of November 2026

90 crore+
ABDM: ABHAs by May 2026

Table 4.3: Health programs

Programme or public rail	Mechanism	Reported reach or committed resources	Evidence of usage or outcome
PM-JAY **Hospital financing**	Finances eligible families' hospital care	More than 48.51 crore Ayushman cardholders and over 38,000 empanelled public and private hospitals [8]	13.25 crore cumulative admissions worth INR2.03 lakh crore funded in eight years [8]
Ayushman Arogya Mandirs **Screening and primary care**	Primary-care points intended to provide screening, medicines, diagnostics and teleconsultation closer to communities	1,87,261 as of November 2026 [9]	Operational network count; consistent availability of each service is not established
PM-ABHIM **Diagnostics and public-health infrastructure**	Laboratories, critical care and surveillance	About INR 64,180 crore for FY2021–22 to FY2025–26 [9]	Approvals: 5,456 urban Arogya Mandirs, 2,151 block public-health units, 744 district laboratories and 621 [9] critical-care blocks
ABDM **Digital records and continuity**	Digital health IDs and linked records	More than 90 crore ABHAs by May 2026.[10]	More than 100 crore records linked to ABHAs. [11]

Press Information Bureau, Ministry of Health and Family Welfare

4.6 Digital commerce and rural enterprise enablement

BharatNet, CSCs, ONDC, digital payments, DAY-NRLM and PMFME combined, support buyer access and seller readiness, complemented by packaging, cataloguing and logistics support. Their commercial relevance is strongest for assisted commerce models connecting discovery, ordering, payments, fulfilment and returns. Performance should be assessed through repeat completed orders, active sellers, fulfilment reliability and sustained enterprise income, which may expand household spending beyond essentials; additional relevant measures are completed orders, active sellers and reliable fulfilment.

5.31 lakh

CSCs: operational nationally, June 2022

3.46 crore

DAY-NRLM: SHG members reported as Lakhpati Didis

2.18 lakh

BharatNet: Gram Panchayats made service-ready

Table 4.4: Digital commerce and rural enterprise enablers

Programme or public rail	Mechanism	Reported reach or committed resources	Evidence of usage or outcome
ONDC Buyer and seller enablement	Links buyer and seller applications through an open commerce network	National network scale is available, but a consistently defined rural-only reach measure was not identified	Cross-application discovery is a network mechanism;
Common Services Centers Buyer-side assisted access	Local assistance with sign-up, documents, payments and ordering	5.31 lakh operational CSCs nationally, incl. 4.20 lakh at Gram Panchayat level, as of June 2022	Operational-centre counts do not establish commerce transactions or active customer usage
DAY-NRLM Seller-side enterprise enablement	SHGs and enterprise support	Women from 10.08 crore women mobilised into 92.30 lakh SHGs [12]	3.46 crore SHG members reported as Lakhpati Didis: women from SHG households earning at least INR1 lakh annually on a sustained basis [13,14]

Table 4.4: Digital commerce and rural enterprise enablers (continued)

Programme or public rail	Mechanism	Reported reach or committed resources	Evidence of usage or outcome
PMFME **Seller-side readiness**	Food-processing formalisation, finance, packaging and branding	Loans sanctioned to more than 2 lakh micro food-processing enterprises; project investment over INR20,300 crore [15]	80 common incubation centres approved; 32 running [15]
BharatNet **Buyer and seller connectivity**	Broadband backbone to Gram Panchayats	More than 2.18 lakh Gram Panchayats made service-ready [16]	Service readiness is an infrastructure output, not household subscription or reliable connectivity

CSC historical benchmark source: PIB, Ministry of Electronics and IT, 5 August 2022, "Provision of Cyber Services Through CSCs in Gram Panchayats".



4.7 Banking, Financial Services, and Insurance

With 45.95 crore Jan Dhan accounts reported across rural and semi-urban India, basic banking access provides a broad foundation for financial services. [17] PMJDY supports transactions and savings; MUDRA, KCC and SHG–bank linkage address enterprise and farm credit; and PMJJBY, PMSBY and APY provide protection. Local delivery through banking correspondents, AePS and IPPB, discussed in Section 4.10, can help customers move towards responsible credit and protection. The meaningful measures are active transactions, repeat savings, insurance renewals and repayment performance—not account ownership, cumulative lending or enrolment alone.

45.95 crore
PMJDY: rural and semi-urban accounts

57 crore+
MUDRA: loan accounts sanctioned

7.72 crore
Kisan Credit Cards, March 2025

84.94 lakh
SHGs with bank loans outstanding

Table 4.5: BFSI programs

Programme or public rail	Mechanism	Reported reach or committed resources	Evidence of usage or outcome	Commercial implication and limitation
PMJDY Transaction account	Basic accounts for transfers, savings and payments	59.09 crore accounts, including 45.95 crore in rural and semi-urban areas combined, as of 19 August 2026. [17]	INR3.16514 lakh crore held across the reported accounts; about INR5,357 per account. [17]	Transaction and savings services; aggregate balances and account ownership do not show frequency of use.
PMMY / MUDRA Enterprise credit	Micro-business working-capital and equipment loans	More than 57 crore loan accounts sanctioned cumulatively since scheme inception, as of 27 March 2026. [18]	Approximately INR40.07 lakh crore disbursed cumulatively since inception. [18]	Enterprise finance; cumulative accounts are not unique borrowers or outstanding portfolio, and disbursement is not an income outcome.

Table 4.5: BFSI programs (continued)

Programme or public rail	Mechanism	Reported reach or committed resources	Evidence of usage or outcome	Commercial implication and limitation
PMJJBY, PMSBY and APY Protection	Low-cost life cover, accident cover and pensions	Reported enrolments: 27.84 crore PMJJBY and 58.78 crore PMSBY as of 1 July about 9 2026; [20] [21] Not crore APY. currently active coverage unless the source specifies this.	PMJJBY claims of more than INR21,500 crore paid to over 10.7 lakh families. [21]	Protection distribution; assess renewal, contribution continuity and claims experience separately.
SHG–bank linkage Enterprise credit	Group savings and bank loans	84.94 lakh SHGs had bank loans outstanding as of 31 March 2025. [22]	INR3.04 lakh crore outstanding; 1.74% classified as [22] non-performing.	Group-based enterprise finance; observed portfolio quality does not guarantee every borrower's future repayment.

SHG–bank linkage: share of INR3.04 lakh crore outstanding classified as non-performing





4.8 Education and skilling

In education, the priority is to turn wider school access into stronger learning and livelihood outcomes. PM POSHAN supports participation and nutrition, with meals covering about 11 crore children; Samagra Shiksha, PM SHRI and NIPUN Bharat address school infrastructure and learning, while DDU-GKY and RSETIs support transitions into employment and enterprise. [25] There have been gains in foundational reading between 2022 and 2024, with scope to accelerate learning, for example in reading, in primary school levels [26] This leaves room for learning content, assessment, teacher support and employer-linked training, with success measured by classroom use, grade-level learning, placement retention and enterprise earnings rather than infrastructure alone.

Standard III children in rural government schools reading a Standard II text



Schools with internet

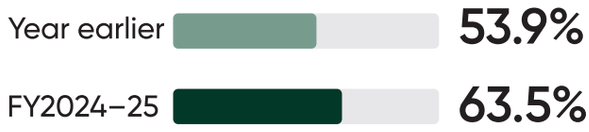




Table 4.6: Education and skilling programs

Program or public rail	Mechanism	Reported reach or committed resources	Evidence of usage or outcome
Samagra Shiksha Infrastructure and learning	School education from pre-school to Class 12; focus here on digital infrastructure and learning	Not included in the cited evidence	In FY2024–25, 63.5% of schools had internet versus 53.9% a year earlier; 64.7% had computers. [23] Sector-wide indicators, not programme-attributable outcomes
PM SHRI Infrastructure and learning [24]	Supports selected schools as model institutions	13,092 schools selected by July 2026, about 90% of the target [24]	Selection reported; completion and functional-quality indicators should be tracked separately
PM POSHAN Participation and nutrition	Cooked meals for Bal Vatika and Classes 1–8	About 11 crore children in more than 10.35 lakh schools [25]	26 lakh tonnes of foodgrain supplied in FY2024–25 [25]
NIPUN Bharat Foundational learning	Foundational literacy and numeracy by Grade 3	Not included in the cited evidence	ASER: Standard III children in rural government schools reading a Standard II text rose from 16.3% in 2022 to 23.4% in 2024 [26]

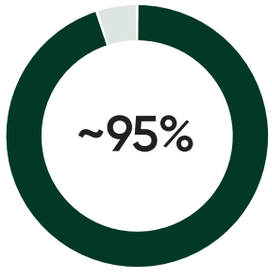
4.9 Rural Mobility

PMGSY is expanding rural road access, with PMGSY-IV targeting connectivity for an additional 25,000 eligible habitations, while PM E-DRIVE supports vehicle adoption and community, state and private operators provide transport services.

This enabling infrastructure is particularly relevant given that conveyance is the largest individual non-food expenditure category in rural MPCE, accounting for 7.59% of average expenditure. [28][31]

However, improved roads, vehicle incentives and logistics planning do not by themselves ensure viable routes or affordable and dependable transport services.

The commercial potential therefore lies in shared passenger transport, goods distribution, vehicle finance and maintenance in markets where sufficient route density, vehicle utilisation and charging access can support sustainable economics, with completed road connectivity, route utilisation, fare affordability and service reliability serving as key indicators of market readiness.



7.88 lakh km

PMGSY roads completed by December 2025, of 8,25,114 km sanctioned

7.59%

of average rural MPCE spent on conveyance, the largest individual non-food category



Table 4.7: Rural mobility programs

Program or public rail	Mechanism	Reported reach or committed resources	Evidence of usage or outcome
PMGSY: cumulative programme progress Infrastructure	All-weather rural roads	8,25,114 km sanctioned. [27]	7.88 lakh km completed by December 2025, nearly 95% of sanctioned length. [27]
PMGSY-IV: approved expansion phase FY2024–25 to FY2028–29	Connectivity for additional eligible habitations within the broader PMGSY framework	Target: 62,500 km for 25,000 habitations; outlay INR70,125 crore [28]	Potential catchment expansion; do not double-count the phase as a separate completed program
PM E-DRIVE Vehicle adoption	Support for electric two- and three-wheelers, ambulances, trucks, buses and charging	INR 10,900 crore outlay; targets included 24.79 lakh electric two-wheelers.[29] Extension to March 2028 [30]	May support rural and small-town passenger and goods mobility where utilisation and charging access are sufficient
Aajeevika Grameen Express Yojana Transport services [37]	SHG-member-operated rural passenger transport	Not included in the cited evidence	Community transport enterprises; assess route density, dependable operations and operator income
National Logistics Policy, PM GatiShakti and LEADS assessment Logistics planning [38]	Policy coordination, infrastructure planning and state-level performance assessment, respectively	Not included in the cited evidence	May support freight connectivity, warehousing and supply chains; impact depends on execution and local demand

[27] Press Information Bureau, Ministry of Rural Development; [28] All India Radio News; [29] Autocar Professional; [30] Ministry of Heavy Industries; [37] Press Information Bureau, Ministry of Rural Development; [38] Press Information Bureau, Ministry of Commerce & Industry.

Market enablement

PMGSY expands road access; PMGSY-IV targets connectivity for 25,000 additional eligible habitations. [28] PM E-DRIVE supports vehicle adoption, while community, state and private operators provide transport services. Logistics frameworks support planning. Conveyance is the largest individual non-food expenditure category reported in rural MPCE, accounting for 7.59% of average expenditure. [31]

What it does not prove

Roads, vehicle incentives and planning frameworks do not establish viable routes or affordable, dependable services.

Opportunity implication

Shared passenger transport, goods distribution, vehicle finance and maintenance where route density, vehicle utilisation and charging access support the economics.

Indicator to track

Completed roads, route utilisation, fare affordability and dependable operations.



4.10 Digital payments

UPI has become a national payment system at very large scale. It makes small purchases, bill payments and transfers easier and cheaper, and each payment leaves a record that can show a shop's or a family's cash flow.

Payments by themselves do not raise incomes, but they make spending more convenient. Banking agents and India Post Payments Bank serve people who do not have a smartphone or who prefer help in person, so that digital systems are usable by everyone. For businesses, regular digital payments make rural demand easier to see, and can support savings, insurance and working-capital products.

55.49 Cr
UPI users by June 2026

INR 314 L cr
UPI transactions value, FY26

99.92%
inhabited villages with an access point within 5 km

12 cr+
India Post Payments Bank customers

Table 4.8: Digital payments programs

Program	Aim	Reach and money	What it has achieved
UPI and the BHIM-UPI incentive [32]	Instant payments between any banks; support for small merchant payments	55.49 crore UPI users by June 2026. [32]	24,161.69 crore transactions worth INR 314 lakh crore in FY26. [32]
Payments Infrastructure Development Fund [39]	Pay part of the cost of payment devices in smaller towns	NA	More shops in smaller towns able to accept card and QR payments
AePS and banking agents [33]	Cash withdrawal and basic banking through local agents	99.92% of inhabited villages have a bank branch, banking agent or India Post Payments Bank access point within 5 km, and there are 17.36 lakh banking agents. [33]	Cash and basic banking close to home

Table 4.8: Digital payments programs (continued)

Program	Aim	Reach and money	What it has achieved
India Post Payments Bank [34]	Banking at the doorstep through the postal network	More than 12 crore customers by September 2025. [34]	Account services, cash withdrawal and bill payments through post offices and postal staff

Press Information Bureau, Ministry of Finance; Reserve Bank of India; Press Information Bureau, Ministry of Communications.



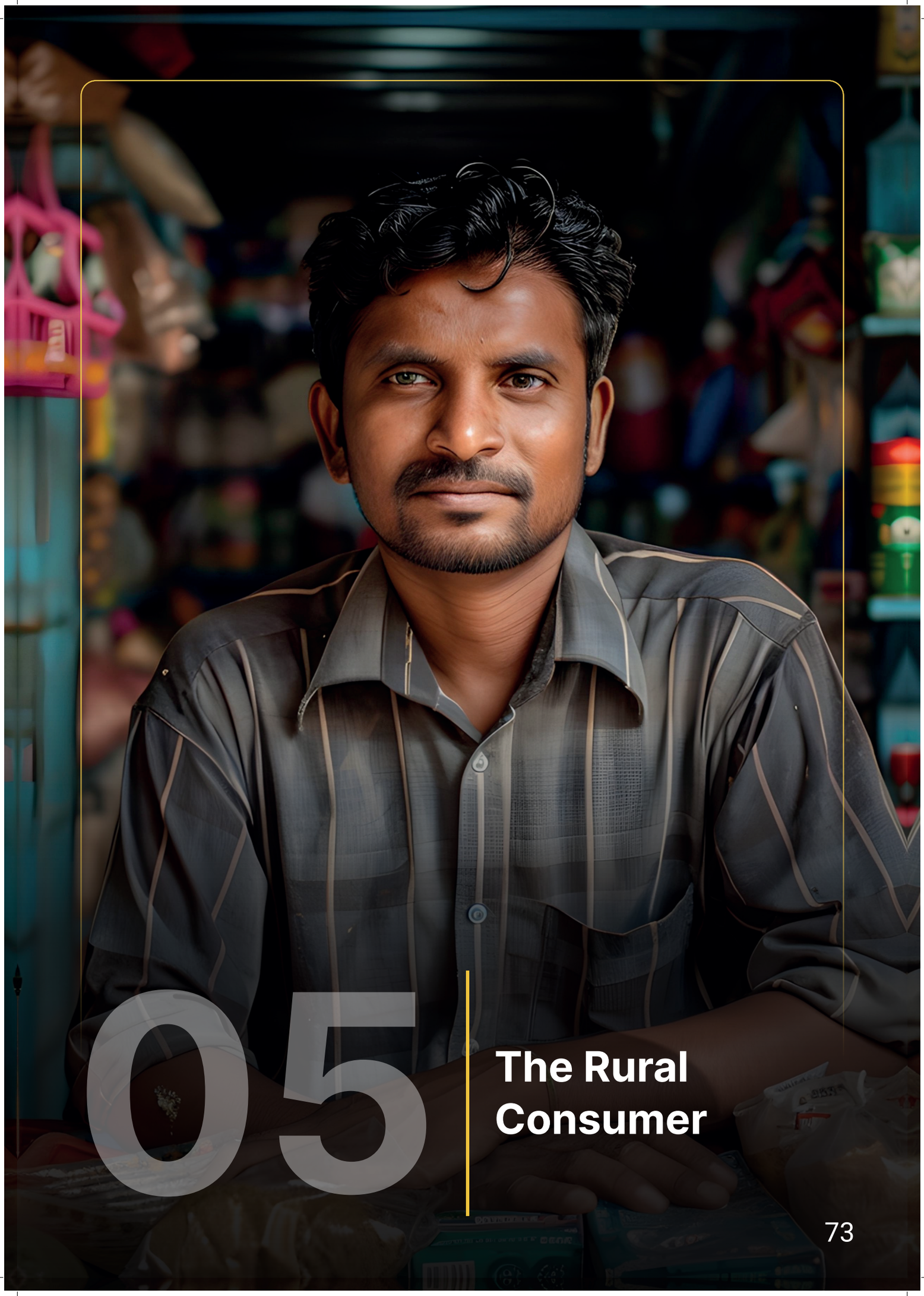
4.11 Looking ahead

Several programmes have announced timelines and targets that extend over the next few years. These show where public investment is already committed.

Roads: PMGSY-IV will build 62,500 km of roads to connect 25,000 habitations by 2028–29. [28]	**2028–29**
Electric mobility: PM E-DRIVE has been extended to March 2028. [30]	**Mar 2028**
Women's incomes. The government aims to create another 3 crore Lakhpati Didis. [35]	**3 crore**
Model schools. PM SHRI had selected about 90% of its target schools by July 2026. [24]	**~90%**
Financial inclusion. The Reserve Bank of India's National Strategy for Financial Inclusion runs from 2025 to 2030 and focuses on women and on linking finance to livelihoods. [36]	**2025–30**

These commitments may expand road access, electric mobility, women-led livelihoods and school infrastructure, subject to implementation and use. Businesses that work with existing public networks, such as SHGs, Common Services Centres, banking agents and post offices, can serve this growing demand. The pace at which coverage turns into regular spending will depend on jobs, incomes and how well each programme is delivered on the ground.





05 The Rural Consumer

This chapter examines how rural households earn, spend, save, borrow, discover and pay for products, and how these behaviours vary across states and household segments. The focus is on where consumer needs can translate into viable demand.

5.1 Rural consumer at a glance

INR4,122
Rural monthly per capita consumption expenditure, 2023–24

47.6%
Rural female labour-force participation, 2023–24

548 million
Rural active internet users, 2025

87%
2026 southwest monsoon, of the long-period average

Household and wallet: India had 83.3 crore rural residents in Census 2011, while subsequent estimates indicate a declining rural share of the population. Rural monthly per capita consumption expenditure reached INR4,122 in 2023–24, and the urban spending premium narrowed from 84% in 2011–12 to about 70%.

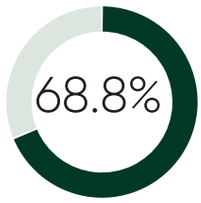
Work and finance: Rural female labour-force participation increased from 24.6% in 2017–18 to 47.6% in 2023–24 under the comparable PLFS series. Financial access has expanded, although the microfinance portfolio declined to INR3.31 lakh crore in March 2026, about 25% below March 2024, amid a credit-quality correction.

Connectivity and risk: Rural active internet users reached approximately 548 million in 2025, while national UPI transaction volumes increased 5.3 times between FY2021–22 and FY2025–26. Rural demand remains exposed to agricultural conditions, with the 2026 southwest monsoon estimated at 87% of the long-period average[1], although household effects vary by irrigation, crop mix and income diversification.

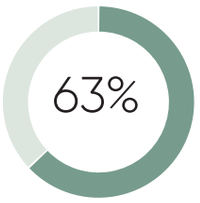


5.2 A large, concentrated and diverse market

Census 2011 recorded 83.3 crore rural residents, or 68.8% of population [2]; separately modelled estimate placed the 2024 share at approximately 63% [3]. These are different data systems and not directly comparable. Until the new Census, estimates rely on Census 2011, projections, surveys and administrative data



Census 2011
rural residents



Modelled estimate, 2024
approximately

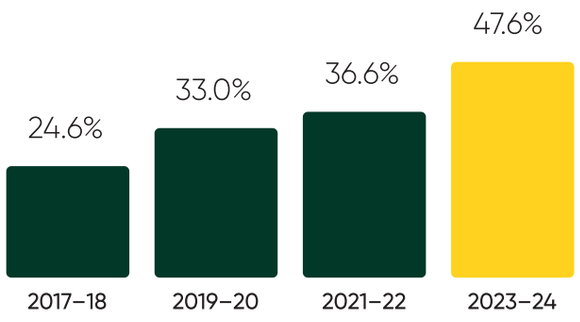
Wallet size is not sufficient. Income timing, local assistance and reliable delivery also shape whether demand can be served economically

Formal access does not always translate into effective use, with language, devices, skills and delivery conditions influencing adoption. Nationally, 4.2% of people aged 15–59 had formal vocational training [4]; this is not a rural-only measure.

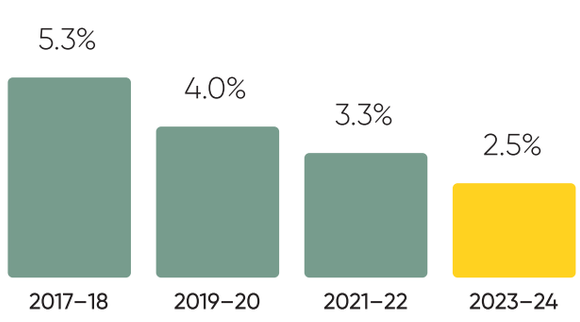
5.3 How rural households earn

Rural labor-force participation increased and reported unemployment declined under the annual PLFS series. However, self-employment remains dominant and agriculture continues to employ a large share of rural workers. For consumer markets, income timing and regularity matter alongside participation.

Female labor force participation



Unemployment rate



Comparable annual PLFS series: 2017–18 to 2023–24

Comparable annual PLFS series: 2017–18 to 2023–24

Rural indicator	2017–18	2019–20	2021–22	2023–24
Labor force participation	50.7%	n/a	n/a	63.7%
Unemployment rate	5.3%	4.0%	3.3%	2.5%
Female labor force participation	24.6%	33.0%	36.6%	47.6%
Self–employed share of workers	n/a	n/a	61.5%	64.7%
Regular wage share of workers	n/a	n/a	12.5%	12.7%
Casual labor share of workers	n/a	n/a	25.9%	22.5%

Sources: PLFS 2019-20; PLFS 2023-24 press note; Lok Sabha reply on PLFS; PLFS Annual Report 2025 Note: MoSPI revamped the sampling methodology from January 2025, whereas earlier annual rounds used July-to-June reference periods

Revised 2025 PLFS series	Reported value
Rural unemployment, persons aged 15+, usual status	2.4%
Rural female labour-force participation, persons aged 15+, usual status	45.9%

Self–employed share of workers · Regular wage share of workers · Casual labor share of workers



Participation is not purchasing power. **Higher labor-force participation does not necessarily translate into purchasing power, which also depends on employment type, days worked, wages and control over household income.**



Participation and earnings differ

- Rural female labor-force participation rose from 24.6% in 2017–18 to 47.6% in 2023–24; the separate 2025 estimate of 45.9% followed a methodological change
- Rural labour-force participation increased over the comparable annual PLFS series, although the nature and regularity of employment remain important in interpreting this change.
- Much of the increase was through self-employment and should not be equated with higher or more regular earnings

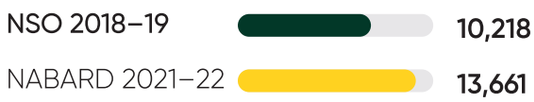
Regular monthly income: Salaries, remittances, pensions and transfers offer different cash-flow patterns from seasonal earnings. Rural casual labor declined from 25.9% in 2021–22 to 22.5% in 2023–24, while regular wage work remained approximately 13%.

Seasonal income: Agricultural household income extends beyond cultivation. NSO estimated average monthly income at INR10,218 in 2018–19, with wages the largest source [15]. NABARD estimated INR13,661 for agricultural households in 2021–22, with cultivation contributing approximately one-third [5].

Frequent but variable income: Self-employment, casual work, microenterprises and livestock generate distinct cash-flow patterns. Agriculture and allied sectors grew approximately 4.4% annually over five years, but sector growth does not imply regular household income [6].

Public programs: Erstwhile MGNREGA (now VB-G RAM G) person-days declined from 389 crore in 2020–21 to 268 crore in FY2024–25 [7]. Programs such as Kisan Credit Cards and PM-JAY affect credit access and financial risk but should not be treated as household income [6].

Average monthly income, agricultural households (INR)



MGNREGA person-days (crore)





5.4 The rural wallet: what households spend on

HCES 2023–24 estimated rural monthly per capita consumption expenditure (MPCE) at INR4,122, versus INR6,996 in urban India. MPCE measures expenditure per person, not household income, and long-term comparisons remain indicative due to survey changes.

INR4,122
Rural spending per person per month, 2023–24

INR6,996
Urban spending per person per month, 2023–24

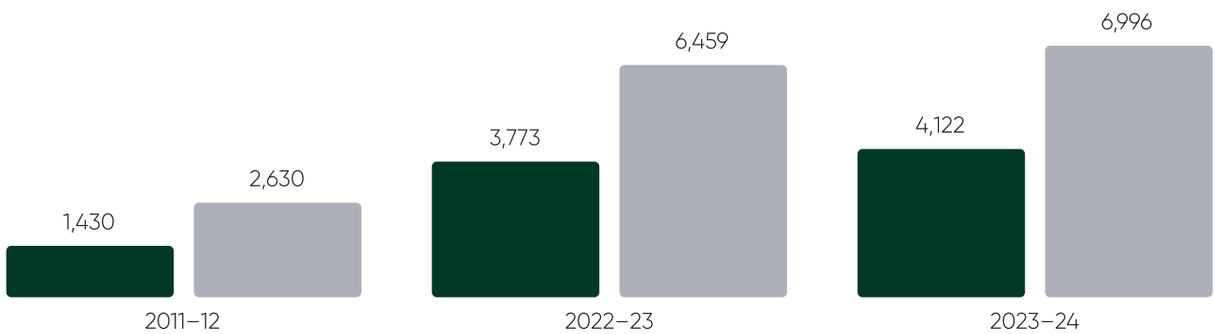
70%
Urban premium over rural

Indicator	2011–12	2022–23	2023–24
Rural spending per person per month (INR)	1,430	3,773	4,122
Urban spending per person per month (INR)	2,630	6,459	6,996
Urban premium over rural	84%	71%	70%
Rural food share of spending	n/a	46.4%	47.0%
Rural consumption inequality (Gini)	0.283	0.266	0.237

Sources: MoSPI HCES 2023-24 press note; PIB; Business Standard. HCES 2022-24 uses a redesigned questionnaire; comparison with 2011-12 is indicative

Note: The decline in Gini indicates lower measured inequality in consumption expenditure; it does not necessarily imply a corresponding reduction in income or wealth inequality.

Rural spending per person per month (INR) · Urban spending per person per month (INR)





Rural–urban expenditure gap narrowed: The urban MPCE premium declined from approximately 84% in 2011–12 to approximately 70% in 2023–24; long-term convergence should not be assumed [8]

Rural wallet remains essentials-led: Food accounts for 47.0% of MPCE, while conveyance is the largest non-food category at 7.59% [9]

State differences remain significant: Rural spending in Telangana is nearly twice that of Chhattisgarh, with growth varying considerably across states

Value sensitivity coexists with upgrading: Rural FMCG volume growth outpaced urban growth across cited 2024–25 periods, alongside demand for smaller packs and premiumization in select categories [10]

Health costs remain material: Out-of-pocket expenditure represented 43.4% of national health spending in 2022–23; this is not a rural-only measure [11]

Digital usage is rising: National wireless ARPU was INR196 per month, with average data usage of 26.7 GB in the cited March 2026 quarter; no rural split is available [12]

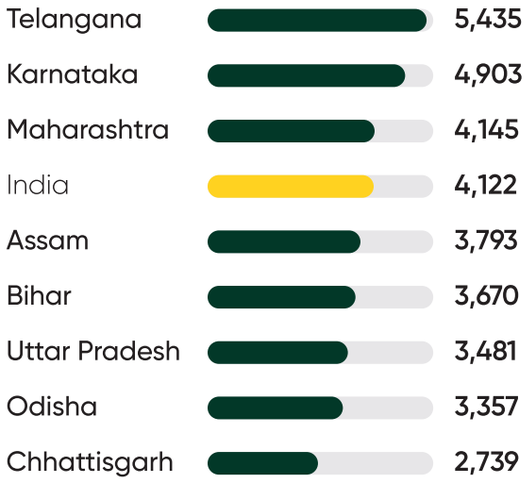
Overall: Expenditure shows what households buy, while saving and borrowing shape how they manage irregular income, large expenses and shocks



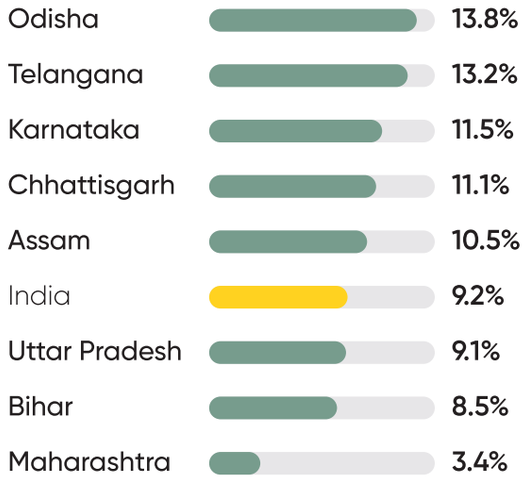
State	Rural MPCE 2022–23 (INR)	Rural MPCE 2023–24 (INR)	Growth	State urban MPCE premium over rural MPCE
Chhattisgarh	2,466	2,739	11.1%	80%
Odisha	2,950	3,357	13.8%	74%
Uttar Pradesh	3,191	3,481	9.1%	55%
Bihar	3,384	3,670	8.5%	38%
Assam	3,432	3,793	10.5%	79%
Maharashtra	4,010	4,145	3.4%	78%
Karnataka	4,397	4,903	11.5%	65%
Telangana	4,802	5,435	13.2%	65%
India	3,773	4,122	9.2%	70%

Source: HCES 2023–24. Growth is nominal change in rural MPCE; state urban premium = (urban MPCE ÷ rural MPCE). Rural food shares were 53.2% in Assam and 52.5% in Bihar in the cited HCES summary.

Rural MPCE 2023–24 (INR)



Growth

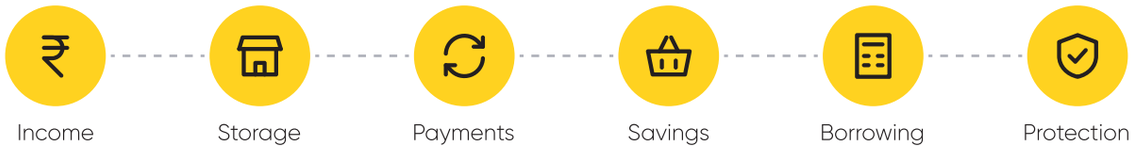




5.5 Saving, borrowing and the credit reset



- **Consumer-finance journey:** Income flows through storage, payments, savings, borrowing and protection. Access alone does not indicate financial resilience or repayment capacity



- **Saving and liquidity:** 66% of rural households saved in 2021–22, up from 50.6% in 2016–17 [13]. Rural assets remain largely concentrated in physical assets such as land and buildings [14]
- **Agricultural household debt:** In the 2018–19 NSO survey, more than half of agricultural households reported outstanding debt, with average outstanding loans of ₹74,121. The historical estimate illustrates the importance of assessing repayment capacity alongside credit access.
- **Microfinance correction:** The cited CRIF portfolio declined from ₹4.43 lakh crore in March 2024 to ₹3.31 lakh crore in March 2026 following an extended period of sector adjustment. The March 2026 quarter, however, recorded a sequential recovery alongside improving asset-quality indicators [1].
- **Financial protection:** PM-JAY recorded 13.25 crore cumulative cashless admissions worth INR2.03 lakh crore by August 2026 [16] Admissions do not represent unique insured households or outpatient coverage

Rural households that saved



CRIF microfinance portfolio (INR lakh crore)



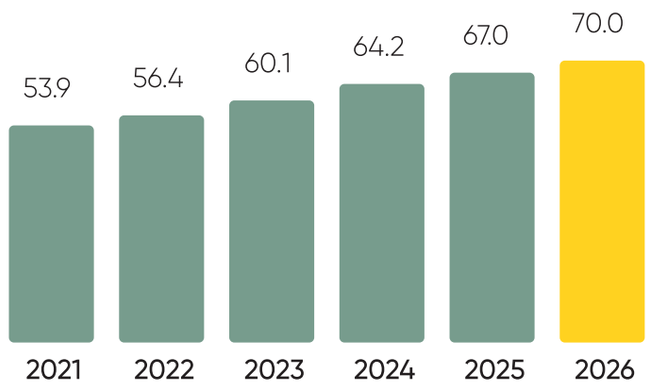


5.6 Financial inclusion: from access to usage

At the national level, RBI's Financial Inclusion Index indicates improvement in access, usage and quality, weighted 35%, 45% and 20% respectively. Rural infrastructure and account growth contribute to inclusion, but there is no separate rural index. Account opening should be distinguished from active transactions, saving and suitable protection.

35% access	45% usage	20% quality

Year-end	FI-Index	Annual gain
March 2021	53.9	-
March 2022	56.4	+2.5
March 2023	60.1	+3.7
March 2024	64.2	+4.1
March 2025	67.0	+2.8
March 2026	70.0	+3.0



Sources: RBI releases cited in the chapter; Reserve Bank of India, "Reserve Bank of India introduces the Financial Inclusion Index", 17 August 2021, confirms March 2021 at 53.9. The index is national; no rural-only series is available.

59.09 crore
PMJDY accounts as of 19 August 2026

45.95 crore
in rural and semi-urban categories

55.49 crore
UPI users as of June 2026

PMJDY had 59.09 crore accounts as of 19 August 2026, including approximately 45.95 crore in rural and semi-urban categories. These combined categories are not rural-only, and account counts do not represent unique adults or active use. The cited 55.49 crore UPI users as of June 2026 is a national figure [17]



5.7 The connected rural consumer: telecom, media and payments

From network access to repeat purchase

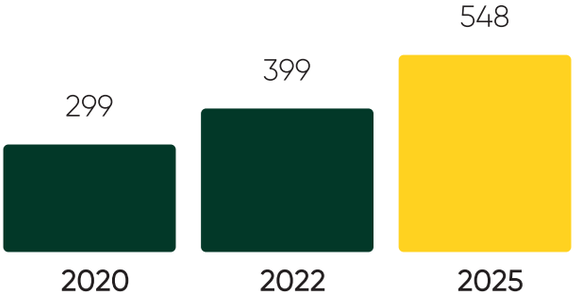


Subscription, household and individual-user metrics represent different stages and should not be treated as interchangeable.

Network and subscriptions: TRAI reported 556.0 million rural telephone subscriptions in June 2026, including 550.9 million wireless subscriptions, representing 41.2% of the national base [18]. Rural teledensity was 60.5% in March 2026, versus 151.5% in urban areas [19]. Multiple subscriptions partly inflate urban teledensity, while lower rural levels may reflect differences in ownership, affordability and usage. Teledensity is not a measure of unique users or direct network coverage.

Internet use: Successive IAMAI–Kantar reports estimated rural active internet users at approximately 299 million in 2020, 399 million in 2022 and 548 million in 2025 [20]. As definitions may differ across editions, the direction of growth is more reliable than a precise calculated growth rate. The 2025 estimate represented 57% of 958 million national active internet users. Internet-user counts do not indicate individual device ownership.

Rural active internet users (million)



Teledensity, March 2026



Discovery and influence

- **National television trends suggest continued relevance for free and connected formats:** FICCI–EY's cited 2026 report estimates 193 million TV households in 2025, versus 186 million in 2023; DD Free Dish households increased from 45 million to 53 million, while connected TV reached approximately 68 million households [21]
- **Digital media continues to expand:** National digital media revenue exceeded INR1 lakh crore, while digital advertising reached INR94,700 crore [22]

- **Implications for rural consumers:** DD Free Dish may be relevant for price-sensitive households, but these figures are not rural-only. Short video, vernacular content and creator-led discovery may support engagement, but exposure does not indicate purchase

193 million
TV households in 2025

53 million
DD Free Dish households

68 million
connected TV households

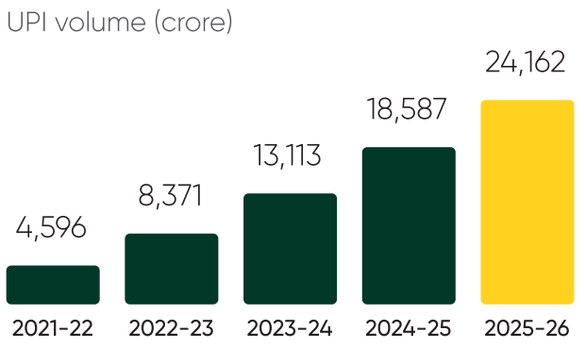
Transaction and conversion

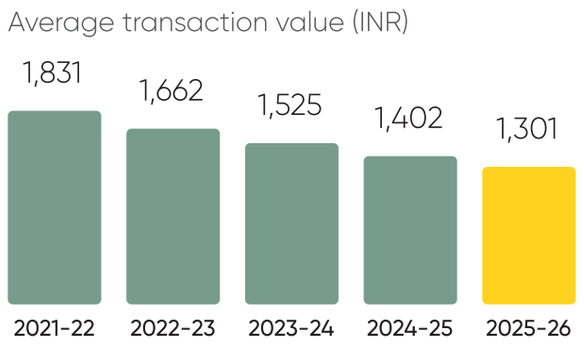
National UPI data show rapid payment growth. Account, smartphone and assisted-banking evidence directionally supports rural adoption, but a directly comparable rural-only UPI series is unavailable.

Financial year	UPI volume (crore)	Volume growth	UPI value (INR lakh crore)	Average transaction value (INR)
2021-22	4,596	-	84.2	1,831
2022-23	8,371	82%	139.2	1,662
2023-24	13,113	57%	200.0	1,525
2024-25	18,587	42%	260.6	1,402
2025-26	24,162	30%	314.2	1,301

Sources: Outlook Money, citing a Lok Sabha reply; Business Today; growth and average ticket computed by us. National data; NPCI does not publish a rural-only series







5.3x

National UPI volume, FY2021–22 to FY2025–26

29%

fall in average transaction value

84%

UPI share of national digital-payment volume

- **UPI volumes expanded:** National UPI volume increased approximately 5.3 times between FY2021–22 and FY2025–26, although annual growth slowed over the period shown
- **Transaction values declined:** Average transaction value fell approximately 29%, consistent with greater use for smaller merchant payments; 63% of volume was person-to-merchant, with 86% below INR500 [17]
- **UPI dominates digital payments:** UPI accounted for 84% of national digital-payment volume in the cited evidence [17]
- **Rural attribution remains limited:** District-level platform data are contextual and cannot independently distinguish rural from urban transactions

Online purchasing requires conversion and fulfillment

- **Online purchasing:** 16.0% of rural households made online purchases of goods during the 30 days preceding the survey, compared with 39.4% of urban households.
- **Tier-2+ demand:** Tier-2+ cities accounted for approximately 65% of new shopper additions and half of incremental orders. These figures capture demand beyond major metros and should not be interpreted as rural-market size
- **Quick Commerce:** Blinkit, Zepto and Swiggy Instamart together processed approximately 197 crore orders in FY26. (These are national figures and should not be interpreted as rural-market estimates).
- **From reach to purchase:** Assisted commerce, trusted payments, fulfillment and repeat ordering are distinct from media reach

5.8 What drives rural demand, and what could derail it

Developments supporting demand:

Five developments have coincided with and likely supported stronger rural consumption, although their individual contributions are not quantified:

- Diversified income sources, as discussed in Section 5.3
- Public services and infrastructure, including tap-water coverage rising from 16.7% in August 2019 to 82.1% in July 2026 [24]
- Rising women's labor-force participation and account access, although individual device access remains uneven
- Connectivity and payments
- Favorable rainfall in the cited 2024 and 2025 observations [25]

The Economic Survey links agricultural [26] performance with rural consumption Policy and tax changes may also affect short-term industry volumes [27]

Headwinds and local transmission:

- **Monsoon conditions:** The cited 2026 southwest monsoon estimate was 87% of the long-period average (759.4 mm versus 868.6 mm)
- The cited core rain-fed-zone estimate was 94%, while kharif sowing was 1.2% below the previous year. [28]
- **Local exposure varies:** National rainfall cannot be applied uniformly, as irrigation, crop mix, reservoirs and non-farm income affect exposure.
- **Other risks:** Weak price realization, food-price pressure, microfinance contraction, out-of-pocket health costs, employment-guarantee budgets and payment regularity, and digital-finance fraud.



Monsoon (June-Sept, % of long-period average)	2023	2024	2025	2026
All-India rainfall	94.4%	about 108%	about 108%	87%
Rural FMCG volume growth (NielsenIQ, nearest quarters)	recovering from a weak 2022-23	6.0% to 9.9%	7.7% to 8.4%	Not yet available

Sources: IMD; ICRA; Business Standard; NielsenIQ via Business Standard and IBEF

All-India rainfall, % of long-period average



- **Rainfall and rural demand:** Favorable rainfall coinciding with stronger rural FMCG volumes is consistent with weather-sensitive demand, but the short series does not isolate rainfall from income, inflation, transfers or base effects.
- **Local exposure matters:** State- and district-level exposure should be assessed through crop income, wage days, reservoir conditions and household expenditure, rather than inferred from national averages.



5.9 Locally appropriate delivery in dispersed markets

Households in dispersed and remote markets should not be treated as a single low-income segment. Market design should reflect locally observed geography, livelihoods, language, mobility and community institutions, rather than infer household needs or spending from social identity. Census-era access indicators are historical, not a current consumer profile.

Delivery dimension	Local evidence to establish
Settlement dispersion and terrain	Travel time, route density and seasonal access
Income sources and seasonality	Cash-flow timing and dependence on local or forest-produce value chains
Language and trust	Preferred language, consent and trusted local assistance
Finance and healthcare access	Functional service points, referral completion and affordability
Appropriate assisted channels	Partner capability, customer choice and dependable fulfillment

> State averages do not establish the expenditure or circumstances of individual households. The operating priority is to diagnose access and affordability locally, avoid identity-based assumptions, and assess assisted channels through customer outcomes and cost to serve.

Historical housing, electricity and sanitation percentages are excluded from the current profile.



5.10 Focus sectors through rural consumer's eyes

Sector	Two evidence points	Opportunity themes	Watch-outs
Agriculture	9.31 crore agricultural households in NSO 2018–19; approx 70% held < one HA[29]	Allied value chains; small-farm market linkage and suitable finance	Price realization; seasonal cash flow and climate exposure
Healthcare	National out-of-pocket share: 43.4% in 2022–23; cumulative PM-JAY admissions: 13.25 crore by Aug 2026[30]	Diagnostics and chronic care; medicine fulfillment	Affordability; referral completion and service quality
BFSI	National FI-Index: 70.0 in the cited March 2026 series; CRIF microfinance portfolio: INR3.31 lakh crore in March 2026[31]	Suitable savings and protection; responsible small-ticket credit	Over-indebtedness; fraud, consent and collection conduct
E-commerce	Rural households purchasing goods online: around 16% in January–March 2025, compared with 39.4% of urban households (MoSPI, Comprehensive Modular Survey: Telecom (CMST), NSS 80th Round, 2025)	Value-led assisted commerce; B2B kirana and input ordering	Remote fulfillment cost; trust & returns. Tier-2+ is not rural-only
Education and skilling	DDU-GKY: over 18.47 lakh trained and 12.43 lakh placed; RSETIs: 63.47 lakh trained (PIB, 24 September 2026)	Hybrid remedial and teacher support; employment-linked training	Device access and learner retention; sustained employment and earnings
Rural mobility	Conveyance: 7.59% of rural MPCE; cited PMGSY progress: 7.88 lakh km roads by Dec 2025 (PIB, 25 December 2025)	Shared passenger and goods routes; fleet maintenance and suitable vehicle finance	Route utilization; affordable fares and dependable operations

Trusted local assistance, payments and vernacular access can enable several sectors. Cross-sector combinations may fit interconnected needs, such as credit with inputs or diagnostics with health financing. Viability depends on trust, provider capability, responsible conduct and clear economics for each component; bundling is not inherently superior to a single-category model.

5.11 Structural change

Structural group / indicator	Observed change	Geographic scope
Broadening wallet: MPCE	INR1,430 (2011–12) → INR4,122 (2023–24)	Rural
Broadening wallet: urban premium	84% → 70% over the same observations	Rural–urban comparison
Change in measured participation: female LFPR	24.6% (2017–18) → 47.6% (2023–24); separate 2025 estimate: 45.9%	Rural, persons aged 15+
Expanding participation: household income	INR8,059 (2016–17) → INR12,698 (2021–22)	NABARD rural survey universe
Deepening access: internet users	299 million (2020) → 548 million (2025)	Rural, industry definition
Deepening access: tap water	16.7% (August 2019) → 82.1% (July 2026)	Rural programme database
Deepening access: FI-Index	53.9 (March 2021) → 70.0 (cited March 2026 series)	National
Deepening use: UPI	4,596 crore transactions (FY2021–22) → 24,162 crore (FY2025–26)	National
Emerging risk: microfinance	INR4.43 lakh crore (March 2024) → INR3.31 lakh crore (March 2026)	National CRIF series

Sources: Sections 5.1–5.8. Different reference periods, units and geographic universes are deliberately identified



Next Phase of Rural Growth

State trajectories are likely to remain differentiated. Odisha and Chhattisgarh require access-led models that account for lower average MPCE and locally observed delivery constraints. Maharashtra's relatively weak recent rural MPCE growth requires further diagnosis by income source and category. Assam combines a high food-expenditure share with logistics and climate exposure. These differences favor state- and cluster-specific market design rather than a single rural strategy.

The rural consumer is increasingly connected but remains constrained by irregular income, uneven individual device access and sensitivity to health, food and weather shocks.

Suitable models combine affordable propositions with trusted local assistance, flexible payment and dependable fulfilment. Market attractiveness should be assessed through repeat household transactions, customer outcomes and cost to serve—not connectivity or population alone.



Sector Opportunity Assessment: deep dive

This table compares the conditions businesses face and is not a ranking of investments. Demand frequency describes how often customers need the service. Ability to pay depends on the customer or institution paying. Delivery difficulty reflects transport, staffing and rules. Evidence of scale reflects the examples discussed and is not an audited comparison. The financial conditions described later are questions to test, and should not be viewed as established benchmarks.

Business conditions across the six sectors

Sector	How often customers need it	Difficulty of delivery	Local partner dependence	Evidence that models can grow
BFSI	High	Medium	High	Relatively strong
Mobility	Depends on the route	High	Medium	Emerging
Healthcare	Occasional care / regular long–term care	High	High	Emerging
Agriculture	Seasonal crops / more frequent dairy, livestock and fish activity	High	High	Moderate
E–commerce	Depends on the purchase	High	High	Moderate
Education	Recurring need	Medium–high	High	Mixed



06 Sector Opportunity Assessment

6.1 BFSI and digital payments

6.1.1 Sector definition and anchor indicators

BFSI stands for banking, financial services and insurance. In rural India it covers how families and small businesses pay, save, borrow and protect themselves against losses. It has four parts. Payments means paying and receiving money, through Unified Payments Interface (UPI) payments, cards or cash taken out with the help of a local agent. Savings means bank deposits. Loans include farm, business, vehicle, gold and personal loans. Protection means insurance (life, accident, health and crop) and pensions.

Sector at a glance

Bank Accounts
59 crore PMJDY accounts as of 19 August 2026, including 45.95 crore classified as rural or semi–urban.[9]

Deposits and loans
INR27.4 lakh crore deposits and INR20.5 lakh crore credit under RBI's rural population–group classification, March 2026.[4]

Access
A banking point within 5 km of 99.92% of inhabited villages, July 2026.[8]

What matters
Regular use, viable agent earnings, affordability and benefits to customers—not account numbers alone.

PMJDY source: PIB, 27 August 2026, for the total/date; Ministry of Finance data reported by Outlook Money, 29 August 2026, for the geographic split.



6.1.2 Customers, payers and delivery system

Customers and payers. Farm families, SHG members, wage and benefit households, small enterprises, gold borrowers and insured households use different products. Borrowers pay applicable interest and charges; customers pay insurance premiums or permitted service charges. Banks and other providers may pay local agents or technology businesses. Deposits and payment values are not the service provider's revenue.

Several kinds of institutions serve rural customers, each with its own role

- **Public sector banks** such as State Bank of India, Bank of Baroda and Punjab National Bank have large rural branch networks
- **Regional rural banks (RRBs)** were set up to serve small and marginal farmers, farm laborers, artisans and small businesses. After mergers under "One State, One RRB" in 2025, there are 28 RRBs. Each is sponsored by a bank and jointly owned by the central government, the sponsor bank and the state government. [1,2]
- **Cooperative banks and village credit societies** give short–term crop loans
- **Private banks and small finance banks** also serve rural areas; small finance banks focus on small loans
- **Non–bank finance companies (NBFCs)** are often known for one main product: Mahindra Finance and Shriram Finance for vehicle and tractor loans, Muthoot Finance and Manappuram Finance for gold loans, and microfinance lenders for small loans to women in groups
- **Payments banks** such as India Post Payments Bank (IPPB), run by post office, take small deposits and handle payments but do not give loans. IPPB alone had over 12 crore customers by September 2025, served through post offices and postal staff. [3]
- **Insurers** such as Life Insurance Corporation of India (LIC), and government insurance schemes sold through banks, provide cover

Two bank loans are designed for rural borrowers.

- **Kisan Credit Cards give farmers a credit line for farming costs:** INR10.2 lakh crore is outstanding on 7.72 crore cards. [5]
- Women's self–help groups (SHGs) have INR3.04 lakh crore in bank loans across 84.94 lakh groups, about INR3.58 lakh per group. [6]

The national gold–loan market totalled INR18.6 lakh crore in March 2026 [7], substantially above SHG bank lending of INR3.04 lakh crore in March 2025[6]. The channels serve different customer groups and uses, and the reference dates differ. They illustrate secured household borrowing and group–based finance, not a direct comparison of rural credit channels. SHG lending growth is discussed below

However, with basic access expanded, are customers using suitable services regularly?



Who the customers are

Customer	Profile	Service
Farm family	Mixed household income; cultivation about one–third in the cited survey	KCC for farm costs[10,5]
SHG members	Group saving and borrowing	Average bank loan about INR3.58 lakh per group [6]
Wage/ benefit household	Salary, casual wages and transfers	Jan Dhan accounts and payments[10,9]
Small enterprise	Kirana, tailoring and repair businesses	UPI and working capital [11]
Gold borrower	Pledges gold for liquidity	National gold–loan stress: 1.2% 31–180 days overdue, March 2026[7]
Insured household	80.3% had an insured member in 2021–22	PMSBY INR2 lakh accident cover for INR20 annually[10,12]

6.1.3 Behavior and structural changes

- **How customers use the service**

- **Credit is deepening faster than deposit growth or borrower reach, increasing the** importance of lending quality. Rural-classified deposits grew 1.8 times and credit 2.1 times between March 2020 and March 2026, raising credit per INR100 of deposits from approximately INR64 to INR75. [4] KCC outstanding increased 35% between March 2021 and March 2025, while card numbers remained broadly stable at 7.1–7.8 crore, indicating growth primarily through higher credit per card rather than wider coverage; 44% of agricultural households held a valid card in 2021–22.[5,10]

- **Rising incomes and savings participation support more flexible savings propositions** . Average rural household income increased from INR8,059 to INR12,698 per month between 2016–17 and 2021–22, while households reporting savings rose from 50.6% to 66% and average annual savings increased from INR9,104 to INR13,209. [10]

- **Women represent a large but heterogeneous financial-services customer base** . Women held 55.7% of PMJDY accounts in August 2026; more than 3.46 crore SHG members had been enabled as Lakhpati Didis by July 2026; and over 62% of Udyam Assist informal enterprises were women-owned in August 2025, spanning account holders, SHG-linked livelihoods and enterprise owners with distinct financial needs.[9,11,13,14]

- **With widespread account access, repeat usage and assisted-channel economics** matter more than network size . Average Jan Dhan balances increased 12%, from approximately INR4,768 to INR5,357, in the year to August 2026, while about 77% of accounts were reported in use as of July 2025. [18,9,19] Banking agents remain important for cash withdrawals, account opening and assisted transactions, while SHGs, KCCs and gold loans serve distinct borrowing needs; commercial relevance rests on sustained usage and viable service delivery rather than account or agent counts alone



Changes shaping the sector

RBI's national Financial Inclusion Index combines access (35%), usage (45%) and quality (20%). It rose from 64.2 in March 2024 to 67.0 in March 2025 and 70.0 in March 2026.[20–22]

It supports a broader shift in attention from opening accounts to making financial services useful. For investors, that means testing transaction frequency, service reliability and customer outcomes. The index is national, has no separate rural series and is not the percentage of people financially included. Sources: RBI press releases of 22 July 2025 and 16 July 2026

RBI's 2025–30 plan focuses on women and on linking finance to how people earn. [23] This provides policy support for products built around actual income patterns, such as seasonal farm receipts or frequent small–business sales. Policy alignment can help a model gain relevance, but does not represent customer demand or profitability

- **Digital payments are becoming smaller and more frequent, while transaction records can support better financial-service delivery.** National UPI volumes grew about 5.3 times between FY2021–22 and FY2025–26, while average transaction value fell from INR1,831 to INR1,301, supporting low-cost merchant payment tools, simple sales records and reliable transaction support where rural usage is established. [24,16]

  With customer consent and reliable data, payment and sales histories can help providers understand business cash flows and structure suitable products, alongside assessment of income, affordability and data quality

- **Expanding rural credit and larger loans increase the value of stronger borrower assessment, supported by digital farmer records** . National agricultural credit grew 15.7% in the year to March 2026, while average rural loan size increased from INR1.21 lakh to INR2.16 lakh between 2020 and 2026 and rural credit's share of total bank lending rose from 9.1% to 9.6%. [25,4] Farmer IDs, combined with consented payment and sales data, can reduce paperwork and improve verification of seasonal income, helping lenders assess loan purpose, household indebtedness and repayment capacity without treating digital identity itself as evidence of creditworthiness

- **SHGs offer an established savings and credit channel that has scaled rapidly with relatively low reported NPAs** . Regular meetings, pooled savings and shared responsibility for group loans provide a familiar financial-services interface. SHG bank loans grew nearly 3 times between FY2020–21 and FY2024–25, with a gross NPA ratio of 1.74% as of March 2025. [15,6] Sustaining this expansion requires attention to borrowing needs, enterprise viability, early repayment stress and overlapping debt, including whether loans generate viable income

- **Established SHG borrowers can potentially transition to individual enterprise finance as their businesses mature** . Members with consistent repayment records and viable businesses may be suited to individual loans, with business cash flow, existing indebtedness and repayment affordability determining readiness to move beyond group-based borrowing.

- **State differences in credit penetration and rural spending require locally calibrated lending, pricing and delivery models**. In March 2025, credit–deposit ratios based on loan-sanction location ranged from 48.1% in Odisha, 50.9% in Uttar Pradesh and 51.4% in Bihar to 98.1% in Maharashtra and 111.6% in Telangana, against 80.1% nationally. [27]

  Rural monthly per capita consumption expenditure in 2023–24 was INR3,357, INR3,481 and INR3,670 in Odisha, Uttar Pradesh and Bihar respectively, compared with INR4,145 in Maharashtra and INR5,435 in Telangana.[28] Lower-spend markets are likely to need smaller transaction sizes and lower-cost assisted delivery, while district-level assessment should distinguish access barriers from viable borrower demand and existing exposure; neither low credit–deposit ratios nor consumption averages establish household repayment capacity

6.1.4 Priority opportunities and cluster fit

Priority opportunities and cluster fit — BFSI and digital payments

Opportunity	User and payer	Where it fits
Enterprise working capital	Small enterprise; borrower pays interest and applicable charges	Active retailers in dense market villages; lenders and local agents
Savings and protection	Active account holder; customer pays premiums or permitted charges	Familiar, consent–based assisted channels
Group–to–individual finance	SHG member with a viable enterprise; borrower	Demonstrated repayment and enterprise capacity
Farm finance	Farmer; borrower	Crop–linked local networks
Agent tools	Local agent; financial institution or contracted provider	Productive banking points

6.1.5 Illustrations and conclusion

Two organizations illustrate different approaches to rural finance: one for farmers and one for families through village entrepreneurs.

Company illustration

Samunnati

Finance and market links for farmer groups

- **Problem addressed:** Farmer producer organisations (FPOs) need funds for daily operations and dependable buyers.
- **How it works:** Samunnati connects finance with buying and selling produce.
- **What it shows and what to check:** Actual transactions can help assess seasonal lending needs, but a wide network does not prove strong repayments or profitable expansion. Check active borrowers and buyers, collections, margins, payment timing and how well FPOs operate.

Company illustration

Hesa

Assisted commerce through village entrepreneurs

- **Problem addressed:** Rural households can have limited nearby access to products, financial services and markets, while businesses can find it difficult to reach and serve dispersed village customers.
- **How it works:** Hesa combines a digital platform with local village–level entrepreneurs, called Hesaathis, who help households access products and services and help businesses reach rural customers. The platform spans areas such as commerce, financial services and agriculture, with Hesaathis providing the on–ground assisted layer.
- **What it shows and what to check:** A local entrepreneur network can help bridge digital, trust and last–mile access gaps in rural markets. However, reported network size or village coverage does not by itself show regular usage. Check transactions per active Hesaathi, entrepreneur earnings and retention, repeat customer use, delivery costs, service quality and whether activity remains commercially viable as the network scales.





6.2 Rural mobility

6.2.1 Sector definition and anchor indicators

Rural mobility is about how people and goods move: within a village, and from the village to nearby towns and cities. It has three parts.

Sector at a glance

Customer frame
Rural households making recurring and episodic passenger and goods journeys.

Expenditure
Conveyance is 7.59% of rural MPCE, approximately INR313 monthly per person in 2023–24.[1]

Infrastructure
7.88 lakh km of PMGSY roads completed by December 2025.[8]

Outcome test
Route utilization, affordable fares and reliable service; Route viability depends on recurring passengers, affordable fares and vehicle utilisation.

How rural transport works. Distinguish owned vehicles from shared or public transport, passengers from goods, daily trips from occasional journeys, and state services from private or informal operators. Permits, vehicle loans, fuel or charging, maintenance and time off the road all affect reliable service. Local demand also depends on safety, timings, access to stops, fares and household schedules.

- **Daily travel** is the trip to work, school or the market
- **Outstation travel** is the longer, often overnight trip, usually to visit family or for a religious or social event
- **Goods movement** is how farm produce reaches weekly village markets (haats) and how shop stock reaches villages

6.2.2 Customers, payers and delivery system

Customers and payers. Passengers or households pay for work, school and longer–distance trips; producers and traders pay for goods movement. Owner–drivers and transport operators buy vehicles, finance, maintenance, charging and operating tools. Passenger fares, freight payments and operator–funded services are separate revenue models.

Four groups of businesses make rural travel work:

- **Vehicle makers** build the vehicles: two–wheelers from companies such as Hero MotoCorp, Honda, TVS and Bajaj; cars and utility vehicles from Maruti Suzuki, Mahindra and Tata Motors; autos and small goods vehicles from Bajaj, Mahindra, Piaggio and Tata Motors; and battery e–rickshaws and e–carts from smaller makers
- **Dealers and workshops** in small towns sell and repair them
- **Lenders** such as banks and non–bank finance companies (NBFCs) like Mahindra Finance, Shriram Finance and Hero FinCorp give loans to buy them, often with insurance
- **Transport operators** run the services people use: state and private buses for longer trips, and auto and e–rickshaw drivers for short ones. Ticket agents, booking apps, fuel pumps and charging points support them

How large it is

- **Transport is already a meaningful component of rural household spending.** Conveyance accounted for 7.59% of rural monthly expenditure in 2023–24 about INR313 per person, ahead of medical care at 6.83% and durables at 6.48%. [1,2,3]
- **India's vehicle market operates at significant scale, with two–wheelers dominating new registrations.** In FY2025–26, Indians purchased 214 lakh two–wheelers, 47 lakh cars and utility vehicles, and 13.6 lakh three–wheelers . FADA captures registrations across 1,463 of India's 1,466 RTOs and classifies RTOs as rural or urban, providing a base for assessing the geographic distribution of vehicle demand. [4]

Who the customers are

Journey / paying entity	Need to establish	Delivery implication
Daily work or education / passenger or household	Frequency, distance, timings and fares	Dependable shared/public or owned–vehicle options; sales are not journey evidence
Owner–driver / passenger and goods users	Paid utilization, empty mileage and vehicle–day cash flow	Suitable financing and nearby maintenance/charging
Episodic longer travel / household	Destination, group size and dependable connections	Booked intercity/shared services and transparent recourse
Market and farm freight / producer or trader	Load volume, market–day schedule and return demand	Consolidated lawful goods routes with low empty mileage

How the sector is organized

Customers, payers and delivery system — Rural mobility

Stage	Players	Evidence / requirement
Roads	PMGSY and state departments	7.88 lakh km completed by December 2025 [8]
Vehicles	Makers and dealers	FADA FY2025–26 three–wheeler growth 16.7% rural–classified versus 6.1% urban–classified RTOs [4]
Finance and cover	Banks, NBFCs and insurers	Affordable financing and applicable third–party insurance requirements
Fuel, charging and repair	Pumps, swap points and garages	National electric three–wheeler share 61% in FY2025–26; over 29,000 public charging stations [4,9]
Operations	Buses, drivers and ticket channels	UP, Odisha and Chhattisgarh rural route programs [10,11,12]



6.2.3 Behavior and structural changes

How customers use the service

- **Rural transport spend is substantial, but the addressable market lies in specific journeys where services can improve cost or reliability.** Conveyance accounts for **7.59% of rural household expenditure versus 8.46% in urban India** . Shared mobility, better booking and return–trip matching are therefore most relevant on routes with demonstrated demand, rather than treating aggregate transport expenditure or vehicle sales as the addressable market. [1,4]

- **Rising female labour-force participation may increase work-linked travel in locations where jobs are outside the village and suitable transport is unavailable.** The share of rural women aged 15+ working or looking for work increased from **24.6% in 2017–18 to 47.6% in 2023–24** . The stronger service case is where this translates into identifiable gaps in affordable connections, work–hour schedules or last–mile access. [5]

- **Different journey types require distinct mobility models rather than a single rural transport proposition.** Regular work and school travel can support scheduled services and repeat bookings, while hospital, market and longer–distance journeys may fit advance booking or shared one–way models. Goods mobility requires separate assessment of load sizes, market–day demand and return loads, with route–level economics ultimately determining viability.

- **Fare support can increase public-transport utilisation.** A Bengaluru BMTC study recorded increased women passenger volumes following the introduction of fare support, while Karnataka and Telangana have reported substantial use of their respective schemes. These figures indicate utilisation of supported public transport and should not be interpreted as evidence of willingness to pay or commercially viable passenger demand. For commercial mobility models, route-level demand, fares, willingness to pay and vehicle utilisation need to be assessed separately.

- **Higher workforce participation, household incomes and road connectivity are expanding the conditions for rural mobility, but viable businesses will still be built route by route.** Rural labor–force participation increased from **50.7% to 63.7% between 2017–18 and 2023–24** , average household income rose from **INR8,059 to INR12,698 per month between 2016–17 and 2021–22** , and **7.88 lakh km of the 8.25 lakh km sanctioned under PMGSY** had been completed by December 2025. The strongest markets are likely to be corridors where improved roads connect villages with workplaces, schools, markets and hospitals and generate sufficient repeat journeys to sustain dependable services. [5,13,8]

Changes shaping the sector

- Lower vehicle taxes could support ownership and related services. GST on two-wheelers up to 350cc and small cars fell from 28% to 18% in September 2025, potentially reducing acquisition costs and supporting finance, insurance and maintenance demand. Cheaper ownership may also compete with shared mobility, depending on local travel costs. [14]

- Electric three-wheeler growth supports fleet services where vehicles operate regularly. Electric models accounted for 61% of the 13.6 lakh three-wheelers sold nationally in FY2025–26, or about 8.3 lakh vehicles. [4] Demand for charging, batteries, repairs and used-vehicle services depends on local fleet concentration, utilization, parts availability and turnaround time—not national penetration alone

- Expanding rural bus networks create demand for mobility technology and operator services. Uttar Pradesh's Mukhyamantri Gram Parivahan Yojana has started services across 56 of 75 districts; Odisha launched a INR3,178 crore program, now Mukhyamantri Bus Seva; and Chhattisgarh's 2025 scheme initially targeted 250 unserved villages. These networks can support booking, scheduling, ticketing and fleet-management solutions, distinct from bus-operating economics. [10,11,15,12]

- Fare support can increase ridership, creating scope for services that improve public-transport operations. A Bengaluru BMTC study recorded a 151% increase in average daily women passengers, raising their share from 40% to 62%. [16] Karnataka reported daily state-bus passengers rising from 85.84 lakh to 1.17 crore and over 500 crore free rides for women by July 2025; Telangana recorded over 200 crore.[6,17] These volumes can support scheduling, ticketing, fleet utilization and reliability services with a defined operator or government payer, while commercially funded transport requires separate willingness-to-pay assessment

6.2.4 Priority opportunities and cluster fit

Priority opportunities and cluster fit — Rural mobility

Opportunity	User and payer	Where it fits
Shared passenger services	Passenger or household pays fares	Busy village–to–town routes; remote routes with scheduled or committed demand
Passenger and goods coordination	Passengers and goods customers pay separately	Market–linked routes with dependable loads and return demand
Owner–driver finance	Owner–driver; borrower	Routes with demonstrated daily earnings
Maintenance and charging	Owner–driver or fleet operator	Concentrated active vehicles near service points
Booking and operating tools	Existing transport operator	Established village–to–town or intercity services

6.2.5 Illustrations and conclusion

Two young companies illustrate approaches to travel between villages, towns and cities.

Company illustration

ApniBus

Intercity bus travel in smaller markets

- Problem addressed: Passengers lack clear information on schedules, seats and service status.
- How it works: ApniBus provides booking, ticketing, tracking and operator–management tools.
- What it shows and what to check: Better coordination can help, but does not prove reliable rural services or profitable customer acquisition. Check active routes, revenue after service costs and operator retention. Source: ApniBus passenger and bus–owner service descriptions, accessed 1 November 2026.

Company illustration

RodBez

Intercity taxis in Bihar

- Problem addressed: One–way trips are costly when taxis return empty.
- How it works: RodBez matches one–way taxis and shared seats in Bihar; its missed–connection guarantees are subject to terms. [18]
- What it shows and what to check: Matching return demand needs reliability and enough daily earnings per vehicle. Media reports indicate revenue above INR5 crore in June 2025 (source, YourStory June 20225; not audited financial evidence)

6.3 Rural Healthcare

6.3.1 Sector definition and anchor indicators

Rural healthcare has four service segments: primary and outpatient care; diagnostics; pharmacy and medicines; and hospital and specialist care. Insurance and financing support payment across these services. Public facilities, community workers and private providers connect screening and consultation with tests, prescribed medicines, referral and follow-up. Telemedicine, mobile units and home sample collection are ways of delivering these services, rather than separate market segments.



Sector at a glance

Household expenditure
Medical care is 6.83% of rural monthly per capita consumption expenditure without imputed free items, approximately INR 282 per person per month in 2023–24.[1]

Public outpatient use
35% of rural outpatient treatment used public facilities in 2025, up from 28% in 2014.[4]

Financial coverage
47.4% of rural people had at least one health insurance or financing scheme; 45.5% had government-sponsored coverage in 2025.[3,4]

Treatment costs
Rural out-of-pocket medical expenditure averaged INR 847 per outpatient treatment and INR 31,484 per hospitalisation case, excluding childbirth for hospitalisation.[4]

Commercial test
Affordable completed care, service quality and a clearly identified payer.

How often care is needed. Sudden illnesses usually create occasional demand. Care during pregnancy and childhood involves planned visits. Long–term conditions need regular checks, medicines and follow–up. Clinic visits and hospital stays have different costs and funding arrangements. Travel, waiting and lost wages also affect when patients seek care.

6.3.2 Customers, payers and delivery system

Customers and payers. Occasional outpatient users need accessible consultations; repeat-care users need continuing checks and medicine fulfilment; diagnostic users need reliable testing and interpretation; and hospital-referral users need specialist access and care coordination. Households pay for uncovered services, while government schemes and insurers finance eligible treatment.

Hospitals, laboratories and other contracting organisations also buy outreach, sample collection and services that support care delivery. PM-JAY hospital cover, household payments for routine care and institutional contracts have different eligibility and payment arrangements. Insurance finances treatment and should not be counted again as a separate service market.

6.3.3 Behavior and structural changes

How customers use the service

- **Private pharmacies are an established medicine-access channel.** In the 2023 telephone-panel survey, State of Health in Rural India, 75% of respondents reported medicine purchases from private pharmacies and 10% from Jan Aushadhi Kendras, alongside use of public facilities. These sample findings are not current national population estimates; responses overlap and are not exclusive market shares. [8]
- **Reported telemedicine use included facility-assisted access.** The survey reported 9% telemedicine use, with facility-based access prominent among users. This supports assisted models that connect consultation with prescribed tests, medicines and follow-up. [8]
- **Nearby consultation and diagnostics respond to stated needs.** Around 62% of survey respondents said on-call doctor consultation and diagnostic services would be helpful.[8]
- **Serious treatment can require travel beyond the locality.** Nearly 58% of survey respondents described travel for better serious-illness care as a general neighbourhood trend. Among 1,393 households that travelled outside their district for treatment, 51.6% spent below INR 25,000 and around 25% spent INR 25,001–50,000. These figures describe treatment-related expenditure among travelling households, not travel costs alone. [8]
- **More rural people reported illness, reinforcing the need for accessible assessment.** In NSS 80, 12.2% of rural people reported an ailment in the previous 15 days, compared with 6.8% in 2017–18. The increase may reflect awareness and care-seeking as well as changes in illness. [4]

Capacity, access and affordability

- **Effective access depends on staffing and service delivery.** Rural plains-area planning norms provide for one PHC per 30,000 people and one CHC per 120,000. Staffing, patient use and completed referrals determine how well these facilities serve their catchments.[7]
- **Reported outpatient medical costs are low at public facilities.** NSS reports a national median of zero out-of-pocket outpatient medical expenditure at public facilities. [4]

The rural treatment costs cited above cover all providers and describe a different measure of household expenditure

Spending and affordability. Applying HCES 2023–24's 6.83% medical-care share to rural monthly per capita expenditure of INR 4,122, without imputed free items, gives approximately INR 282 per month or INR 3,378 per year per person. [1] NSS 80 reports average rural outpatient medical expenditure of INR 847 per treatment, against a median of INR 395. For hospitalisation, excluding childbirth, the average was INR 31,484 and the median INR 10,500.[4,12] HCES measures spending across all rural residents, while NSS measures costs per treatment episode, using 15-day outpatient and 365-day hospitalisation reference periods in the 2025 survey. The measures therefore describe different aspects of household spending. Higher-cost treatment episodes raise the average above the median

ASHA: Accredited Social Health Activist, helps people access care; ANM: Auxiliary Nurse Midwife, provides basic maternal, child and preventive care; SHC: Sub–Health Center; PHC: Primary Health Center; CHC: Community Health Center, provides referral services; CHO: Community Health Officer, coordinates SHC–level AAM care. AAM: Ayushman Arogya Mandir, formerly Health and Wellness Center, offers preventive and primary care. PM-JAY finances eligible hospital treatment. ABDM: Ayushman Bharat Digital Mission, supports digital records and consent-based exchange. ABHA: Ayushman Bharat Health Account, a digital health identifier rather than an insurance entitlement. [2,14,18]

Customers, payers and delivery system — Rural Healthcare

Level	Facility/channel	Role
Community	ASHAs, ANMs, camps and mobile units	Awareness, mobilization, screening and follow–up
First contact	SHCs and PHCs/AAMs; local private clinics; CureBay eClinics and iKure hubs and spokes[9,14,15]	Preventive/ basic care, medicines, screening and referral; CHOs coordinate SHC–AAM care and PHCs provide doctor–led care
Referral	CHCs	Referral services and specialist consultation, subject to staffing
Hospital	District/private hospitals and medical colleges	Secondary and tertiary treatment
Supporting layer	Local laboratories and organised collection networks; private chemists and Jan Aushadhi Kendras; telemedicine, records andfinancing [2,8,14]	Diagnosis, continuity and affordability

Public facilities and private clinics provide first-contact care; district and private hospitals deliver specialist and inpatient treatment. Pharmacies and diagnostic networks support medicine access, testing and sample collection. CureBay and iKure illustrate assisted networks linking consultations, diagnostics and referrals. [9,15] Organised laboratories, including Dr. Lal PathLabs, offer collection-and-testing networks to assess locally.[16,17] Existing providers, travel distances, service use and payment arrangements shape the local market. A presence in smaller towns does not, by itself, establish rural coverage

Changes shaping the sector

How Ayushman Bharat connects primary care and hospital financing.
AAMs provide primary care, PM-JAY finances eligible hospitalisation and ABDM supports consent-based health records. PIB reports 13.25 crore cumulative admissions, treatment worth INR 2.03 lakh crore and over 38,000 empanelled public and private hospitals as of 31 August 2026.[18] The delivery opportunity is to connect local assessment with suitable facilities, eligibility support and continuing care

- **Hospital financing and portability support access to eligible treatment.** PM-JAY finances covered care at empanelled hospitals, including participating facilities outside the home state. Navigation services can help patients identify suitable facilities and understand eligibility and claim requirements.[18]
- **Primary care and community outreach bring services closer to households.** AAMs offer screening, consultations, medicines and basic diagnostics; ASHAs and maternal-care programmes support awareness and navigation. Mobile units and camps extend first contact where fixed-facility access is difficult. The next operating priority is timely diagnosis, referral completion and follow-up. [14,19]
- **Assisted teleconsultation connects local facilities with clinicians.** eSanjeevani supports facility-based as well as direct consultation. Local staffing, connectivity and access to prescribed care determine whether a remote consultation becomes a completed episode of care. [5]
- **Public medicines and diagnostics help make repeat care affordable.** Free medicines and diagnostic services address recurring costs. Survey respondents also reported using Jan Aushadhi Kendras for medicines. Reliable stocks, testing and prescribed refills complement financial coverage. [8,14]

Institutional deliveries reached 95.6% among reported rural delivery cases.[4] Programme infrastructure supports this expanding formal-care base: the AAM dashboard snapshot retained in Chapter 4 reports 1,87,261 facilities classified as functional nationally as of 1 November 2026, covering rural and urban facility categories.[14] eSanjeevani reported over 49 crore cumulative consultations and 2.4 lakh providers by 11 August 2026.[5] These eSanjeevani figures describe national scale, not unique rural patients or active rural providers

- **Bringing tests closer to patients.** Portable diagnostics and scheduled sample collection can link first-contact care with testing, qualified interpretation and referral. Respondents' preference for nearby diagnostics supports assessing these services locally.[8] Commercial viability depends on test volumes, quality controls and turnaround time
- **Mobile services linked to clinicians.** Doctor on Wheels illustrates mobile diagnostics linked to teleconsultation in remote areas; the cited program reported nearly 13,000 patients. Replication needs sufficient route use, staff, completed referrals and a sustainable payer.

6.3.4 Priority opportunities and cluster fit

Priority opportunities and cluster fit — Rural Healthcare

Opportunity	User and payer	Where it fits
Assisted first contact	Patient needing occasional care; patient or contracted partner	Market villages with sufficient consultation demand and access to clinicians, diagnostics and prescribed medicines
Distributed diagnostics	Patient needing tests or monitoring; patient or contracted purchaser	District corridors with identified testing needs, viable collection volumes and reliable laboratory turnaround
Long–term care and medicines	Patient needing monthly or quarterly follow–up; household or contracted sponsor	Areas with demonstrated service quality, accessible pharmacies and dependable prescribed refill supply
Referral navigation and coordination	Patient; patient or contracted purchaser under verified payment arrangements	District referral corridors where households travel for specialist care; qualified referral decisions and disclosed payment terms
Provider coordination tools	Clinic, laboratory or hospital; contracted provider pays	Existing networks needing consent-based records, test tracking and referral follow-up

6.3.5 Illustrations and conclusion

Company illustration

CureBay

- **Problem addressed:** Patients struggle to connect consultations, tests, medicines and referrals.
- **How it works:** CureBay links local eClinics and Swasthya Mitras with clinicians, diagnostics, medicines and hospitals through a shared platform. [15]
- **What it shows:** Local clinics and community health workers can connect consultations, diagnostics, medicines and hospital referrals through one assisted network.

Company illustration

iKure

- **Problem addressed:** Affordable primary care and continuity for underserved rural and semi-urban communities.
- **How it works:** iKure combines hub-and-spoke clinics and Community Health Activists (iCHAs), with WHIMS linking records, point-of-care diagnostics, telemedicine and referrals.[9]
- **What it shows:** Community outreach can connect patients with diagnosis, treatment, referral and continuing care.

Rural healthcare combines occasional treatment with recurring needs for checks, medicines and follow-up. Connected primary care, diagnostics, pharmacy and referral models can improve continuity around local demand. Scale depends on affordable completed care, dependable clinical capacity and viable household or institutional payment arrangements.



6.4 Agriculture and allied value chains

6.4.1 Sector definition and anchor indicators

Agriculture in Rural Bharat covers how households produce, finance, protect, collect, store, process and sell crops, fruit and vegetables, milk, livestock products and fish. The four main areas are crops horticulture livestock and dairy, and fisheries. Each has different buying cycles, income patterns, infrastructure needs and weather risks.

Sector at a glance

Customer scale
9.31 crore agricultural households in the NSO 2018–19 survey frame.

Income context
Average monthly agricultural–household income of INR10,218 in that survey, not a current estimate.

Operating structure
70.4% operated under one hectare, making aggregation relevant.

Service gap
42.2% accessed technical advice; repeat engagement and realized value remain commercial tests.

Agricultural households represented approximately 54% of rural households under the 2018–19 survey definition. This is a household measure, not agriculture's share of workers or a later administrative count.



6.4.2 Customers, payers and delivery system

Customers and payers. Small cultivators need affordable inputs and advice; commercial farmers may buy machinery and quality services; dairy, livestock and fisheries households need recurring services; FPOs need operating systems, working capital and buyers. The farmer, FPO, trader, processor or buyer may pay, depending on the service. A commission or trading margin is a payment mechanism—not a customer. The detailed customer table below retains the existing profiles.

Public initiatives and formal institutions. PM–KISAN, Kisan Credit Cards, crop insurance, Farmer IDs, mandis and infrastructure programs are intended to support income transfers, access to credit, risk protection, identification and market infrastructure.

Input and advisory channels. Manufacturers, agri–retailers, dealers, call centers and agronomists provide seed, crop nutrition, crop protection, equipment and advice. Advice is the relationship layer that can convert a seasonal sale into repeat engagement.

Aggregation and procurement. FPOs, cooperatives, traders, processors and collection centers combine fragmented output into commercially usable lots and connect farmers to larger buyers.

Post–harvest and processing. Warehouses, cold stores, grading, quality testing, transport and processors preserve value after harvest. Their economics depend on throughput, utilization and proximity to production clusters.

Finance and risk. Banks, cooperatives, NBFCs and insurers fund seasonal inputs, equipment and working capital. Viable design requires household cash flow and weather risk to be assessed alongside land or crop records.

Who the customers are

Customer	Need and behavior	Growing models
Marginal and small cultivator	Small, seasonal purchases; values trusted advice, nearby availability and access to dependable buyers	Small–ticket packs, assisted advisory, flexible payment and aggregation
Commercial or medium farmer	Higher input intensity and greater willingness to adopt machinery, storage and quality services	Premium inputs, mechanisation, testing and direct–market linkage
Dairy, livestock or fisheries household	More frequent output and cash flow than crop–only farming	Recurring procurement, feed, animal health, chilling and processing
Women farmer or SHG member	High participation in farm work, but lower direct reach of formal services	Women–led advisory and SHG/FPO–linked distribution

Who the customers are (continued)

Customer	Need and behavior	Growing models
FPO or producer enterprise	Aggregates farmers but may lack working capital, buyers and operating capability	Credit linked to transactions, buyer access, quality systems and professional management

The agriculture value chain

Stage	Core activity	Where value is created
Plan and finance	Crop choice, advice, insurance and seasonal credit	Better decisions and cash–flow alignment before cultivation
Produce	Inputs, irrigation, mechanisation and farm services	Yield, quality and efficient use of water and inputs
Aggregate	FPOs, cooperatives, traders and collection centers	Larger saleable lots, stronger bargaining and lower costs of finding suppliers
Preserve and process	Storage, grading, cold chain and processing	Lower loss, better quality and value addition
Sell and settle	Mandis, processors, retailers, exporters and payments	Clear prices, dependable buyers and faster payment

6.4.3 Behavior and structural changes

- **How customers use the service**

Foodgrain output rose from 265.05 million tonnes in 2013–14 to 357.73 million tonnes in 2024–25; horticulture reached 367.72 million tonnes. These production figures and the separately dated household–income survey measure different things. The commercial question is how advice, quality checks, storage and dependable buyers help farmers retain more value.

- **Advice is a recurring need.** Only 42.2% of agricultural households accessed technical advice in the cited survey.
- **Aggregation depends on execution.** With 70.4% of agricultural households operating under one hectare, aggregation can create commercially relevant volumes when supply is consistent, quality is controlled and buyers provide dependable offtake.
- **Cash flow is seasonal, but household needs are continuous.** Input purchases are concentrated before sowing, while repayment depends on harvest, price realization and other household income. Dairy and fisheries offer more frequent cycles.

- **Access to services.** Adoption should be assessed through actual access to advisory, finance and market channels.
- **State context changes the problem.** Low–income, lower–debt markets may need first–time formal credit and advice; highly indebted markets need risk cover, disciplined exposure and income–linked repayment.
- **Weather affects the entire chain.** Rainfall variation can change input demand, procurement volumes, inventory movement and repayment within one season. Resilient models diversify by crop, geography and income source.

Changes shaping the sector

Growth is shifting towards allied activities. Fisheries grew 8.8% a year and livestock 7.1%, compared with 3.5% for crops in the cited Economic Survey. More frequent production and procurement cycles can support recurring revenue in feed, health, collection, chilling and processing.

The horticulture output cited above strengthens the case for grading, packaging, cold–chain and market–linkage services where district volumes are sufficient.

- **Digital records can make verification easier.** Farmer IDs, KCC records and payment records may reduce paperwork when they are accurate, lawfully available and used with consent. Lenders still need to check repayment capacity against crop cycles, purchases and sales.
- **FPOs need to function well, not just be formed.** The 10,000–FPO program creates a base of farmer organizations. Reliable supply, quality checks, buyers and funds for daily operations determine whether they become viable businesses.
- **Businesses can use existing infrastructure.** Mandis, warehouses, cold stores and assets supported by the Agriculture Infrastructure Fund need not be rebuilt. Their value depends on how much they are used, the service they provide and nearby dependable suppliers or buyers.

6.4.4 Priority opportunities and cluster fit

Priority opportunities and cluster fit — Agriculture and allied value chains

Opportunity	User and payer	Where it fits
Farm advice linked to results	Farmer; farmer, input company or buyer	Concentrated crop production
Quality and traceability	Farmer, FPO or buyer; FPO, processor, trader or exporter	Buyer–linked production
Storage and finance	Asset user; farmer, FPO, trader or processor	Production centers
FPO operating systems	FPO; FPO, lender or program	Active producer groups
Market linkage	Farmer or FPO; buyer or seller through disclosed commission or trading terms	Dependable supply and buyers
Dairy, livestock and fisheries services	Producer; producer, collection business or processor	Concentrated dairy, fish or livestock activity

6.4.5 Illustrations and conclusion

Two agritech companies illustrate how technology and physical networks can address persistent gaps in farm advice, inputs and market access.

Company illustration

AgroStar

Advisory, inputs and market linkage; founded 2013

- **Problem addressed:** Farmers need connected advice, inputs and buyer access.
- **How it works:** AgroStar combines digital and call–center advice, input shops and INI Farms produce sales. Company reporting cites over 100,000 metric tonnes exported in FY2024–25.
- **What it shows and what to check:** Connecting purchases and sales creates opportunities, but also stock, quality and delayed–payment risks. Check repeat farmers, prices received and how quickly cash tied up in operations is recovered.

Company illustration

Gramik

Last-mile agricultural inputs and farmer services

- **Problem addressed:** Farmers in underserved markets face fragmented access to inputs, localized expertise and efficient routes to market.
- **How it works:** Gramik combines village-level distribution and delivery infrastructure with agronomy support and technology-enabled services. It reports 1+ million farmers, 30 dark stores and 4000+ touchpoints.
- **What it shows and what to check:** The model tests whether technology can make high-touch rural distribution more efficient rather than replace it. Assess repeat purchases, sales and margins per location, inventory turns, working-capital intensity and last-mile delivery economics.



6.5 Rural E-commerce

6.5.1 Sector definition and anchor indicators

Rural e–commerce covers how a village customer or retailer finds, orders, pays for, receives and, if needed, returns a product. It includes help with ordering, combining orders, storing goods, transport between hubs, local delivery and customer support. The question is whether digital tools and local partners can make this process reliable enough for customers to order again.

Sector at a glance

User composition
Rural users represented 40% of national digital–commerce users in the cited 2024 industry evidence.

Household incidence
16% of rural households reported a purchase in the previous 30 days in the 2025 survey.

Access
83.3% reported internet access.

Outcome test
Repeat orders, partner productivity and route contribution. These measures have different denominators and do not provide a comparable rural revenue estimate.



Successive industry reports estimate an increase from approximately 299 million rural active internet users in 2020 to 548 million in 2025. Edition–to–edition differences limit precise growth–rate comparisons.

Rural India represented 57% of active internet users in the cited 2025 industry series. Separately, 83.3% of rural households reported internet access, while 98.1% of rural internet users aged 15+ primarily used a mobile phone with mobile data in the preceding three months in the official 2025 survey. Persons, users and households are different denominators.

6.5.2 Customers, payers and delivery system

Customers and payers. First–time household buyers need help ordering; repeat buyers need dependable availability and delivery; buyers seeking products unavailable locally need quality information; village retailers need reliable restocking. Households pay for purchases and retailers pay for stock. Local representatives support these customers and need viable earnings. Brands, sellers or operators may pay for separately contracted distribution or support tools.

Customers, payers and delivery system — Rural E-commerce

Layer	What it does	Rural requirement
Finding products and getting help to order	Product content, search, recommendation and checkout	Local–language service that works on slow connections, with help when needed
Demand aggregation	Combines household or retailer orders by village or cluster	Enough repeat demand to build route density
Storage and transport b/w hubs	Positions inventory and moves it to the cluster	Enough product choice without tying up too much cash in stock
Local fulfillment	Delivers through representatives, retailers or agents	Accurate addresses, local knowledge and first–attempt success
Payments and returns	UPI, cash collection, refunds and reverse logistics	Choice, transparent process and fast issue resolution
Technology and data	Coordinates catalog, inventory, routes, representatives and customers	Operational visibility across mature clusters, not an app in isolation

Who the customers are

Customer type	Need and behavior	What helps customers use the service
First–time digital buyer	Needs help with discovery, checkout, payment and complaints	Known local representative, local–language interface and clear returns
Repeat household buyer	Values convenience, availability and predictable delivery	Saved baskets, consistent pricing and reliable service
Aspirational buyer	Looks for products unavailable locally and checks authenticity	Wider assortment, demonstrations and clear quality and authenticity information
Village retailer	Uses digital ordering to reduce travel and stock–outs	B2B catalog, scheduled delivery and disciplined credit
Local representative	Acquires and assists customers and resolves issues	Simple tools, fair incentives and dependable fulfillment

6.5.3 Behavior and structural changes

How customers use the service

- **Reliable orders build trust**. Clear product information, transparent prices, payment choice and dependable returns encourage trial and repeat purchases; failed deliveries, cash handling and returns add costs.
- **Local partners widen access**. Trusted partners help customers choose, order, pay and resolve issues, with earnings driven by regular activity rather than sign-ups.
- **Order density lowers delivery costs**. Combining nearby orders helps cover transport between hubs and delivery to customers.
- **Product range must match stock turnover**. Wider choice ties up cash unless products sell regularly; stock visibility and sales tracking help manage inventory.

Changes shaping the sector

- **Phone–led access shapes delivery.** The mobile–use evidence cited earlier favours services that work on modest phones and unreliable connections, with Indian–language, voice or video support.
- **Retailer restocking can make routes more predictable.** Village shops combine household demand, but actual order frequency still needs checking.

- Public networks provide a starting point. ONDC, CSCs, SHGs, BharatNet and payment systems support discovery, assistance and transactions. Their presence does not mean paying demand or reliable delivery.

6.5.4 Priority opportunities and cluster fit

Priority opportunities and cluster fit — Rural E-commerce

Opportunity	User and payer	Where it fits
Direct household commerce (B2C)	Household orders independently and pays basket price	Areas with repeat orders and dependable delivery
Assisted household commerce	Household pays; local partner helps with ordering, payment and complaints	Clusters where assistance and combined orders support delivery
Retailer distribution (B2B)	Village retailer purchases stock	Retailers served by coordinated replenishment routes
Regional–brand distribution	Brand or supplier; retailer purchases stock under agreed terms	Existing retailer networks with demonstrated product demand
Rural seller support	Seller or producer organisation; contracted seller or platform	Suppliers able to meet product and delivery requirements
Delivery and returns services	Commerce business or contracted seller	Clusters with sufficient orders and consolidated routes
Local–partner productivity tools	Representative or retailer uses tools; operator or contracted partner pays	Active partner networks



6.5.5 Illustrations and conclusion

The following companies illustrate how digital platforms can overcome access and trust constraints in underserved consumer markets, while using very different models.

Company illustration

Rozana

Rural commerce through digital and local channels; founded 2021

- Problem addressed: Limited product choice and uncertainty about trying a first order.
- How it works: Rozana combines assisted digital ordering, experience centers, local partners and distribution. March 2026 reporting cited over one million households across 21,000 villages in Uttar Pradesh and Haryana.
- What it shows and what to check: Reach needs to become repeat orders and viable partner earnings. Check orders supplied in full, returns, delivery costs and cash recovery in established village groups.

Company illustration

AppsForBharat

Digital access to devotional services

- Problem addressed: Geography can restrict access to temples, rituals and trusted devotional services, particularly for devotees living away from major religious centers.
- How it works: Built by AppsForBharat, Shri Mandir brings darshan, puja and chadhava bookings, devotional content and other spiritual services onto one platform, including fulfillment of rituals through partner temples.
- What it shows and what to check: The model demonstrates how a culturally specific, high-frequency behavior can become a digital consumer category. Test paying-user conversion, repeat transactions, retention beyond religious festivals, take rates and the quality and scalability of temple partnerships.

6.6 Rural Education and Skilling

6.6.1 Sector definition and anchor indicators

Rural education and skilling comprise two related markets. The first helps children learn and progress through school, including supplementary and examination support. The second helps people choose career paths, acquire practical skills, find suitable work and remain employed. Their customers, paying entities and measures of success differ. The opportunity is not simply to provide more content or courses, but to help learners complete the steps that lead to better learning or sustained employment.

Participation and learning outcomes

Sector at a glance	Evidence / interpretation
Participation	98.1% rural enrolment among children aged 6–14, ASER 2024.
Learning gap	23.4% of rural Standard III government–school children could read a Standard II–level text, ASER 2024; up from 16.3% in 2022.
Access	82.1% of rural households had a smartphone, MoSPI January–March 2025. Household ownership does not establish uninterrupted access for each learner.
Household spending	Average household expenditure on school education per enrolled student: INR 8,382 in rural India versus INR 23,470 in urban India during the current academic year, across school levels and school types. CMS: Education 2025, surveyed April–June 2025; these are not monthly spending figures.[8,10]
School choice	Government schools accounted for 66.0% of rural school enrolment versus 30.1% in urban areas, CMS: Education 2025. [9,11]
Supplementary learning	25.5% of rural school students took or had taken private coaching during the current academic year, versus 30.7% in urban areas. Average annual coaching expenditure per student was INR 1,793 rural and INR 3,988 urban, CMS: Education 2025.[9,11]
Payer and commercial test	Household, school, employer or institutional payer. Assess affordable active learning, competency and retained employment; the cited evidence does not provide a comparable rural revenue estimate.

6.6.2 Customers, payers and delivery system

Household spending and the paying customer. CMS: Education 2025 surveyed 52,085 households and 57,742 currently enrolled school students during April–June 2025. [9,11] The rural–urban spending comparison above covers school education, not higher education or vocational training. Among students reporting school expenditure, 95.3% in rural areas and 94.4% in urban areas identified other household members as their first major funding source, according to the survey results release.[9,11] Household affordability therefore matters for directly purchased services, while schools, employers and institutional sponsors remain distinct buyers under separately funded models

School type changes the household bill. Secondary reporting of the survey records average school expenditure of INR 2,639 per rural government-school student, compared with INR 19,554 in non-government schools. The corresponding urban figures were INR 4,128 and INR 31,782. [10,12] The comparison is between household expenditure across school types, not the cost of providing education or a measure of teaching quality

What the spending covers. Average expenditure on course fees during the current academic year was INR 3,979 per rural school student, compared with INR 15,143 in urban areas. Only 25.3% of rural government-school students reported paying course fees. [9,11] Government schools' large rural enrolment share makes classroom support and institution-funded services relevant, alongside household-funded coaching. Coaching expenditure is a separate reported measure and should not be interpreted as the fee paid by every coaching customer or as revenue available to a single provider

Coaching expenditure rises at higher secondary. Secondary reporting records average annual private-coaching expenditure of INR 4,548 per rural higher-secondary student and INR 9,950 per urban higher-secondary student. [10,12] These level-specific averages sit above the all-level coaching averages cited earlier. They provide a more relevant affordability reference for examination-support models, although fees and demand still need to be assessed for the particular course and location



Customers, payers and delivery system — Rural Education and Skilling

Customer or buyer	Main need	Likely payer	Relevant model
School learner needing extra help	Close reading, mathematics or subject gaps	Parent, school or institutional sponsor	Guided practice; level–based or individual support for mixed–level classrooms
Examination candidate	Structured preparation and feedback	Household or sponsor	Affordable online–plus–center coaching
School or learning center	Identify gaps and support teachers	School, government or sponsor	Assessment and classroom–support tools
Jobseeker	Choose suitable training and reach verified employers	Learner, employer or program	Career guidance and employer–linked training
Working learner	Build skills or move into suitable work	Learner, employer or program	Flexible training and practical assessment
Employer or training buyer	Suitable candidates who join and stay	Employer or program	Recruitment, joining and retention support

Two service chains, with different outcomes

Market / stage	Service	Value created
School: identify gaps	Check reading, mathematics or subject skills	Focus support on what the learner needs
School: practise and check	Guided teaching, practice and progress assessment	Demonstrate learning improvement
School: progress	Teacher and parent feedback; continued support	Support attendance and school progression
Employment: choose and train	Career guidance, verified employer needs, practical training and assessment	Build skills suited to available work
Employment: match and join	Job matching, apprenticeships, relocation and joining support	Help learners enter suitable work safely
Employment: stay and progress	Mentoring, further training and follow–up	Track continued employment and earnings

6.6.3 Behavior and structural changes

How customers use the service

- **High enrolment among rural children aged 6–14 strengthens the case for measurable learning support.** ASER shows high participation alongside a significant reading gap, strengthening the case for targeted remediation, assessment and teacher–support solutions that address a clearly defined learning problem and can demonstrate improvement for a defined buyer. [5]
- **High occupational mobility aspirations among rural youth point to demand for better employment pathways, not automatically for more courses.** In the cited survey of selected rural opportunity–youth segments, **70–85% of working** respondents wanted to change occupation, creating a potential market for training linked directly to verified employer demand, job placement and realistic mobility requirements. [4]

Changes shaping the sector

- **High digital reach creates a strong delivery channel for rural learning and skilling.** In January–March 2025, **92.7% of rural people aged 15–29 had used the internet in the preceding three months**, supporting models that combine digital learning with shared devices, offline content, flexible schedules and local assistance to improve accessibility and completion. [3]
- **Skilling models increasingly need to extend beyond training into employment and retention support.** GOYN's Ramgarh and Barwani hubs demonstrate the use of physical spaces alongside digital access and guidance, while parliamentary committee material highlights **employer linkages, placement tracking, mentoring and retention support.** This creates scope for integrated models covering training, matching, relocation and continued support, with AI potentially strengthening skills assessment, local–language learning and job matching where it improves measurable employment outcomes. [6,7]

6.6.4 Priority opportunities and cluster fit

Priority opportunities and cluster fit — Rural Education and Skilling

Opportunity	User and payer	Where it fits
Reading and mathematics support	School learner; parent, school or sponsor	Schools or centers with enough learners needing defined support
Assessment and teacher tools	School; school, government or sponsor	Committed institutional buyer
Online–plus–center exam preparation	Candidate; household or sponsor	District–linked centers with sufficient learners
Career guidance and matching	Jobseeker; learner, employer or program	Verified vacancies and trusted local channels
Employer–linked practical training	Jobseeker or working learner; employer, program or learner	Confirmed employer demand
Joining, migration and retention support	Learner and employer; employer, program or learner on disclosed terms	Employer–linked routes or contracted programs

6.6.5 Illustrations and conclusion

Company illustration

LabourNet

Work-linked skilling and workforce services

- Problem addressed: Access to productive work and wage progression for informal workers, vocational graduates and first-time earners.
- How it works: LabourNet links staffing, workplace learning, apprenticeships and recognised qualifications through employers, institutions and local delivery partners.[11]
- What it shows and what to check: Work-integrated learning enables workers to earn as they train while meeting employer needs. Check employment retention, earnings progression, worker benefits and employer demand.

Company illustration

Rocket Learning

Early Childhood Education

- Problem addressed: Consistent early learning support for underserved children through parents and Anganwadi educators.
- How it works: Rocket Learning strengthens the Anganwadi system through localised, play–based activities, WhatsApp communities and hybrid educator support. [12]
- What it shows and what to check: The model builds on existing public infrastructure and adults close to the child. Check school readiness, sustained parent and educator engagement, and learning gains.





07 Company Landscape and Case Illustrations

What scaling in rural India has required

Across the selected cases, businesses adapted their operating models to local conditions by tailoring established models to local conditions. Recurring features include building trust through local touchpoints, aligning capital intensity with customer affordability and using technology to support human delivery channels. The cases provide focused illustrations of operating models serving rural India.

The company cases in this chapter are illustrative and are not intended to constitute an endorsement, investment recommendation or comparative ranking. Company-specific information is based on publicly available information and, where indicated, information provided or validated by the relevant company. Stated ambitions, market estimates and management commentary reflect the views of the respective companies or cited sources and have not been independently verified. Read alongside the sector discussions in Chapter 6, the cases also identify assumptions and execution questions that investors may wish to test.

Models at a glance

Table 7.1: Companies profiled in this chapter

Company	Sector
Rozana	Rural e–commerce
AppsForBharat	Rural e–commerce
Tractor Junction	Rural e-commerce
CureBay	Rural healthcare
iKure	Rural healthcare
Gramik	Agriculture
AgroStar	Agriculture
RodBez	Mobility
ApniBus	Mobility
Labournet	Education/ Skilling
RocketLearning	Education/ Skilling
Arivihan	Education/ Skilling
Samunnati	BFSI
HESA	BFSI

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Rozana

Rural Commerce

Rozana connects rural households with consumer products through trusted village entrepreneurs, direct brand partnerships and technology–supported ordering and fulfillment. Its model seeks to pool fragmented demand and coordinate last–mile delivery; building D2C brands and private labels is a separately stated strategic direction.

Market context, capital and stated ambition

US$500 billion

rural goods and services market

INR475 crore+

Series A and B capital, plus earlier funding

1,000

Target for new consumer brands

Ambition	Crack a USUS$1 trillion rural consumer opportunity
Capital raised	INR475 crore+ in Series A and B, plus earlier funding
Key investors	Bertelsmann India Investments, Fireside Ventures, Spark Growth Ventures, Bikaji Family Office, FE Securities, 3one4 Capital, IEG and other investors identified by the startup
Footprint	16 districts across Uttar Pradesh and Haryana as reported in March 2026[1]
Households served	More than 1 million active households March 2026[1] ; 21000 villages served till March 2026
Distribution model	Factory to local distribution center to woman peer partner to village consumer – 35000+ women partners; 75+ retail experience centers
Market focus	Rural India; affordable access to everyday and aspirational products





Operating model and customer proposition

Problem being solved	Village consumers have limited access to a broad product range; pack sizes are often designed around urban spending; brands face multiple distribution layers; and scattered small orders make last–mile delivery costly
Product–design examples	Design targets include two diapers for INR20, chocolate spread sachets for INR5 and INR10, and packed donuts for INR10—illustrating packs designed around rural household budgets
How it creates value	Direct partnerships with brands and factories support product co–design and distribution through fewer intermediary layers. Smaller packs and nearby delivery are intended to reduce upfront spend and shopping effort
How it reaches	Trusted village entrepreneurs introduce products as local social influencers, collect orders and support last–mile delivery. App–assisted ordering, payments and delivery tracking support partners; demand pooling and route planning are intended to make small village orders economical

Stated strategy: product value, demand data and scale

- **Own more product value:** develop D2C brands and private labels around rural preferences and budgets; use village sales, repeat orders and product feedback to identify acquisition candidates. These are elements of Rozana's stated path to scale.
- **Use demand data to improve operations:** build village–level records of products, price points, repeat buying and seasonal needs. Planned AI uses include local–language ordering, forecasting, replenishment and delivery routes.
- **Improve sourcing and local participation:** plan production with partner factories, pool raw–material buying and improve capacity use. Rozana markets local earning opportunities for village entrepreneurs and broader market access for factories and emerging brands.

Founder insights

> A woman in rural India lacks access to a basic sanitary napkin, period underwear in an affordable manner. A child lacks access to colour books, colour pens or a birthday cake. A woman whose hair starts greying needs colouring solutions.
>
> As India's economy grows in rural India, the aspiration for the rural consumer is not getting resolved. A 4 trillion–dollar economy has to be imagined for fulfilling the aspirations of the 1 billion rural consumers.
>
> Rozana is solving these aspirations for rural India, from birthdays to sanitary napkins, baby products. We are providing access to new and affordable brands for the rural consumers.
>
> Rozana is a collection of a billion aspirations living in rural India. From a woman's liberty to get access to period underwear to a child getting enough calories and tasting new flavours. A girl child's dream to draw new colours to a young boy's access to books, Rozana provides the gateway. A gateway to a billion rural aspirations, village by village.

Ankur Dahiya
Founder

COMPANY PROFILE · 02 / 14

AppsForBharat

Digital devotion

AppsForBharat is a Bengaluru-based technology company building digital infrastructure for India's devotional ecosystem. Founded in November 2020, its flagship platform, the Sri Mandir app, helps devotees engage with temples, rituals, offerings, darshan and devotional content from anywhere. The business combines a consumer technology platform with partnerships with temple trusts, government institutions and priests, plus on-ground coordination of religious services and fulfilment.

Market context, company scale and stated ambition

$50bn+

Potential devotional market

$53mn+

Raised to date, including a $20mn Series C in 2025

100+

Temple partners across India

Ambition	Build an end-to-end technology ecosystem for spiritual and devotional needs, making access to India's temples and rituals as simple and trustworthy as any everyday service. The company aims to serve devotees in India and abroad while deepening its connections with temples, priests and temple towns, and helping temples reach devotees far beyond their own geography.
Capital raised	Total raised: approximately US$53 mn across four rounds **Seed round (April 2021):** US$4 mn **Series A (September 2021):** US$10 mn **Series B (September 2024):** US$18 mn **Series C (July 2025):** US $20 mn), reportedly valuing the company at approximately US $175 mn
Key investors	Series C led by Susquehanna Asia Venture Capital; Series B led by Nandan Nilekani's Fundamentum; Series A led by Elevation Capital. Other investors include Peak XV Partners, Mirae Asset Venture Investments, BEENEXT and Matrix Partners India (now Z47), along with angel investors including Kunal Shah and the co-founders of Meesho and ShareChat.
Footprint	100+ partner temples across India, with devotees in 30+ countries. Partnerships with temple trusts and governments.

Devotees served	More than 4 crore Sri Mandir app downloads, with devotees taking part from across India and around the world. 5 lakh Daily Active users and 50 lakh monthly active users
Distribution model	Devotee books a service on the Sri Mandir app → partner temple priests perform the ritual according to the temple's traditions → video confirmation is shared and prasad is delivered to the devotee's home through logistics partners in temple towns.
Market focus	Devotees across India and the Indian diaspora, particularly those seeking access to specific temples and rituals despite distance, time or mobility constraints.

Operating model and devotee proposition

Problem being solved	Devotional activity is deeply embedded in everyday life, but access to a particular temple, priest or ritual can be limited by distance, time, mobility and reliable information. Many devotees already arrange prayers on their behalf through family members or local priests; digital tools make that process more accessible and dependable.
Service examples	Chadhava offerings start at ₹11, and puja packages range from approximately ₹1,000 to ₹2,500. Free content includes panchang, horoscope, aartis, bhajans and scriptures. The app also offers devotional e-commerce.
How it creates value	For devotees, the platform simplifies discovery, participation and follow-through for temple services. For temples and priests, it creates an additional channel to serve devotees beyond their immediate geography, while associated fulfilment supports work for local communities.
How it reaches	Android and iOS apps and a website; coordination with participating temples and priests for every ritual and offering; logistics partners in temple towns; partnerships with temple boards and district administrations.

Stated strategy: trusted access, temple infrastructure and technology

- **Build around existing devotional behaviour:** start with how people already practise their faith, and expand the range of trusted, culturally grounded experiences rather than treating devotion as a generic e-commerce category.
- **Strengthen the physical ecosystem:** deepen relationships with temples, priests and local service providers. Plans include investment in 20+ temple towns, with local hubs for prasad and ritual-item fulfilment and hiring from local communities.
- **Improve the experience through technology:** invest in multilingual discovery, clearer information and dependable service coordination, with accuracy and religious context central to trust.

Founder insights

> Devotion shapes everyday life for hundreds of millions of Indians, yet it lacked a trusted, thoughtfully designed digital platform. We started from that enduring need, not from a transaction opportunity.
>
> Sri Mandir app began with useful free experiences: a digital shrine, devotional music and the panchang. Our priority was to understand devotees and earn their trust before building a business model.
>
> Remote puja formalises a practice that already exists. Devotees have long relied on family members or priests to perform rituals in their absence. Technology can make that connection reliable without replacing the temple.
>
> Temple partnerships, local fulfilment and multilingual experiences are how we plan to grow. In the end, authenticity and consistency, not app features alone, decide whether we earn lasting trust.

Prashant Sachan
Founder & CEO

COMPANY PROFILE · 03 / 14

Tractor Junction

Rural mobility and farm finance

Tractor Junction helps rural India buy, sell and finance tractors and rural vehicles through a high-traffic discovery platform, company-run used-vehicle centres and an embedded credit business. Its core customer is the small and marginal farmer—often new to mechanisation, or a tractor driver becoming an owner—now buying a used tractor with complete peace of mind.

Market context, capital and stated ambition

₹50,000 crore

used-vehicle commerce

200 crore+

Series A capital, plus earlier seed funding

400 crore

Revenue target for FY27

Ambition	Be the trusted platform for every high-capex purchase an Indian farmer makes—tractors, implements, harvesters, commercial vehicles and beyond—with fair credit to own them
Capital raised	200 crore (US$22.6m) Series A in Nov 2025, plus US$5.7m seed in 2022
Key investors	Astanor (Series A lead), Info Edge Ventures, Omnivore, AgFunder, Rockstart and Indigram Labs
Distribution model	Online discovery to company-run centres and OEM dealers, with finance at the point of sale, to the farmer
Market focus	Small and marginal farmers, first-time owners and drivers turning owners



Operating model and customer proposition

Problem being solved	Only about 60 lakh of India's 13 crore farming households own a tractor. For a first-time buyer, a used tractor is the realistic entry point, but its condition, price and financing are hard to trust; only about 30% of buyers get a formal loan
Scale indicators	6 crore+ visitors a year; 50+ OEM partners; own retail in 100+ cities across six states selling 500+ used tractors a month; FY26 revenue of ₹198.4 crore, up 62%
How it creates value	Each used tractor is inspected and refurbished at a company-run centre and priced by an AI-based valuation engine, so a first-time buyer gets a machine and a price he can trust. Platform and asset data help lenders price loans fairly—rates up to 30% below unorganised lenders, with about 60% of customers new to credit
How it reaches	Farmers research online in local languages, then inspect and buy at a nearby company-run centre. FINJ brings credit to the point of sale, facilitating about ₹350 crore of loans a month across 17 states

Stated strategy: safe first ownership, direct credit and farmer data

- **Make first-time ownership safe:** scale company-run used-tractor centres with standardised inspection and reconditioning, AI-led valuation and disciplined inventory, so a small farmer or a driver can buy his own tractor with complete peace of mind. These are elements of Tractor Junction's stated path to scale.
- **Lend directly to farmers:** DHANRISE Finance, the company's RBI-licensed NBFC, began used-tractor lending in October 2026 in Rajasthan and Madhya Pradesh—₹3–5 lakh loans, a 100 crore disbursement target over 18 months, and later expansion to Uttar Pradesh and Maharashtra.
- **Use farmer data to widen access:** combine platform behaviour, asset valuations and cash-flow data to underwrite farmers new to credit, so borrowing costs can fall from about 20% towards 13–15% as a credit history builds.

Founder insights

> Across rural India, tractor drivers spend years ploughing other people's fields. They know the machine better than anyone, yet owning one has always felt out of reach. A small farmer with a few acres faces the same wall: what is a fair price, will this tractor run, and who will lend to me?
>
> India has around 13 crore farming families, but only about 60 lakh own a tractor. For most small and marginal farmers, a used tractor is the first step into mechanisation, and it has been the hardest one to price, trust and finance. Too often the answer has been a middleman and a moneylender charging 30 to 40 per cent a year.
>
> At Tractor Junction we inspect, refurbish and price every tractor in our own centres and bring credit to the same counter, so a first-time buyer can own with complete peace of mind. Every month, hundreds of farmers and drivers become owners through us.
>
> When a driver becomes an owner, he does not just buy a machine; he starts a business. He ploughs his own fields, hires out his tractor to neighbours and earns through the off-season. That is the journey we are building for: from driver to owner, one farmer at a time.

Rajat Gupta
Founder and CEO

COMPANY PROFILE · 04 / 14

CureBay

Rural Healthcare

India's first rural healthcare operating system: one stack that runs the front door, care fulfillment, membership, AI and data for rural patients and local providers. CureBay brings primary healthcare to rural families through nurse– and pharmacist–run clinics, community health workers and tele–doctors, with diagnostics, medicines and hospital referrals coordinated on one technology platform. Its model seeks to keep the full patient journey inside one trusted network; the Kavach family membership is its stated route to recurring, prevention–led care.

Market context, capital and stated ambition

US$45 billion	INR400+ crore	1.7M+
Rural Healthcare Market	Across 5 funding rounds	Patients served till date

Ambition	Build a rural healthcare operating system that coordinates primary care, fulfillment, membership, referrals and patient data.2
Capital raised	Approximately INR100 crore pre–Series C in October 2026, including equity and venture debt; approximately INR180 crore Series B in 2025.[34]
Key investors	IvyCap Ventures, Bertelsmann India Investments, Elevar Equity and British International Investment; venture–debt providers include Trifecta Capital, Alteria Capital and VentureSoul Partners.
Footprint	235 clinics across Odisha, Chhattisgarh, Jharkhand, Bihar, Andhra Pradesh, Madhya Pradesh and Uttar Pradesh; 15,000+ villages reached.[2]
Households served	1.7M+ patients served cumulatively; 1,000+ Swasthya Mitras and 100+ partner hospitals.[2]
Distribution model	Consultations, diagnostics, pharmacy and medicine fulfillment, Kavach family membership and hospitalization or surgery pathways.
Market focus	Rural and semi–urban households that face distance, fragmented providers and limited continuity of care.





Operating model and customer proposition

Problem being solved	Qualified care may be distant, while consultations, tests, medicines and referrals are fragmented across different providers. Travel can also impose wage and transport costs.
Product–design examples	Nurse– and pharmacist–run clinics use connected devices and teleconsultation; the network adds diagnostics, pharmacy, Kavach membership and partner–hospital pathways.
How it creates value	A shared platform is intended to retain more of the patient journey within one coordinated network, maintain longitudinal records and support preventive follow–up.
How it reaches	Clinics provide the local physical anchor; Swasthya Mitras support village outreach and navigation; remote doctors and partner hospitals supply clinical and referral capacity.

Stated strategy: product value, demand data and scale

- **Run the full care journey on one stack:** clinics, community workers, diagnostics, pharmacy, partner hospitals and membership share one platform and one record per patient (ABDM M1–M3 certified). Local doctors, small hospitals and pharmacies can plug in, extending the network beyond CureBay's own clinics.
- **Use AI to stretch scarce clinicians:** tools such as Disha for community workers, CureBay Scribe and Rx–IQ for tele–doctors, and Hospital 360 for partner hospitals are intended to lower the cost of each human touchpoint.
- **Grow through membership and clusters:** expand Kavach and Adopt a Village, under which donors have funded cover for about 30,000 people, and enter new states cluster by cluster with lab, hospital and pharmacy partners lined up first.

Founder insights

> For millions of families in rural India, accessing healthcare can mean losing an entire day. A visit to the doctor, a diagnostic test and a trip to the pharmacy often require separate journeys to town, costing families valuable time and daily wages. Rural families value good healthcare as much as anyone else. They need reliable care closer to home, delivered by people they know and trust. This is what we built CureBay around: a village clinic, healthcare professionals, diagnostic and pharmacy services, and Swasthya Mitras who connect families with care at their doorstep.

> At CureBay, our approach goes beyond treating illness to building a more proactive and connected healthcare ecosystem. Through initiatives such as Kavach, our annual health membership, we encourage families to seek timely care and prioritise prevention. We are building an integrated healthcare operating system for 900 million rural Indians, combining physical infrastructure, technology and trusted local networks to make quality healthcare accessible, affordable and dependable, regardless of how far a person lives from a city.

Priyadarshi Mohapatra
Founder & CEO





Operating model and customer proposition

Problem being solved	Healthcare disparity in rural geographies, limited clinical capacity and discontinuity between screening, diagnosis, treatment and referral, financial burden.
Product–design examples	Community outreach and clinics provide primary care, while grassroot women trained from within the community provides doorstep vital monitoring through point-of-care diagnostics, telemedicine and chronic-care follow-up ensuring preventive screening and NCD management.
How it creates value	Wireless Health Incident Monitoring System (WHIMS) links field information, patient records supporting clinical decision-making and flagging at-risk patients; iCHAs create a trusted local channel for prevention, identification, management and follow-up care.
How it reaches	iCHAs conduct community engagement and screening at beneficiary doorstep; clinics and mobile or peripheral services connect patients with clinicians, diagnostics and referral partners at discounted rates through Health cards.

Stated strategy: product value, demand data and scale

- Extend screening, health education and chronic-disease follow-up through trained local grassroot women as iKure's Community Health Activists (iCHAs).
- Strengthen WHIMS with AI and LLMs that link community data, point-of-care diagnostics, remote consultation and referrals.
- Co-create programmes with governments, CSR funders, research institutions and healthcare partners to advance affordable healthcare, financial protection and financially sustainable models for scale.

Founder insights

> At iKure, we believe that healthcare is not just about treating illness—it is about sustaining life, dignity, and resilience in the face of constant change. It's about deepening impact—through better tools, smarter systems, and stronger relationships. We believe in prioritising preventive healthcare through early detection, regular monitoring, and timely intervention. We're actively integrating AI capabilities into our workflows—not to replace the human touch, but to enhance it. We are also committed to advancing financial inclusion and protection by making affordable healthcare and financial safeguards more accessible to underserved communities. We also recognize the growing intersection between climate and health. Rising heat, poor air quality, water-borne diseases, and food insecurity are not distant threats—they are today's public health emergencies. At iKure, we are embedding climate resilience into our service models, data tools, and training protocols, so that communities are not only healthier, but better prepared for a changing world. Our focus remains on building a scalable and sustainable healthcare model that can extend meaningful impact across diverse communities and geographies.

Sujay Santra
Founder & CEO

COMPANY PROFILE · 05 / 14

iKure

Community–based primary healthcare

iKure delivers comprehensive, accessible and affordable primary healthcare beyond Tier I cities through a hub-and-spoke model, combining clinics with trained local women (iCHAs) who bring doorstep healthcare to underserved communities. Its WHIMS digital ecosystem integrates patient records, point-of-care diagnostics, telemedicine, referrals and AI-supported data intelligence to enable early detection and continuum of care. Health cards and bundled Hospicash further strengthen financial inclusion while reducing Out-of-pocket Expenditure (OOPE).

Market context, capital and scale

4.5M

patients served across 7,900 villages

INR30+ crore

Across 2 funding rounds

400+

Community health activists

Ambition	Advance universal health coverage by combining technology, community–level data and local engagement for underserved populations.
Capital raised	Raised Rs. 17 crore+ pre–Series A in September 2026; earlier investors and supporters include Ratan Tata, IPV, ARUN and Mumbai Angels.[3]
Key investors	Philips Foundation, World Diabetes Foundation, Bayer Foundation, Prourgn LLC, Inflection Point Ventures (IPV)
Footprint	4.5 million patients treated cumulatively
Households served	Hub clinics, peripheral outreach and 400+ trained iCHAs connect households to screening, treatment, education and referrals.
Distribution model	Patient services, commissioned partner programs and technology/ platform services; 95% earned income and 5% grants/other sources.[4]
Market focus	Underserved rural and semi–urban households, with institutional programs supporting community and public–facility delivery.

COMPANY PROFILE · 06 / 14

Gramik

Agriculture

Gramik is an AI–powered agritech ecosystem that integrates artificial intelligence, rural commerce, good agricultural practices and market linkages. Its platform combines AI–driven crop intelligence and agronomic advisory with a technology–enabled peer network, village–level entrepreneurs and last–mile infrastructure. By connecting farmers with quality agricultural inputs, actionable farm intelligence and institutional buyers, Gramik aims to improve farm decisions, strengthen market access and create better income opportunities.

Market context, capital and stated ambition

10L+
Farmers in database

4,000+
Business touchpoints

INR500+Cr
Revenue generated since inception

Ambition	Improve farmer income through AI–enabled crop intelligence, quality inputs, efficient distribution and stronger farmer–to–market linkages.
Capital raised	INR 40 Cr. in Pre–Series A Round
Key investors	Godrej Agrovet leadership and other angel investors
Footprint	50+ districts; 40,000 villages in network
Farmers served	10L+ farmers connected farmers
Distribution model	Quick commerce through 30+ dark stores and 100+ last–mile delivery partners and 1,100+ Village Level Entrepreneurs/peer partners.
Market focus	–Agricultural inputs with own portfolio of 20–25 private–label products. –AI–powered crop intelligence and advisory, rural commerce. –Farmer–to–buyer market linkages with 2L+ tonnes market linkage volume till date.





Operating model and customer proposition

Problem being solved	Farmers often navigate fragmented channels for genuine agricultural inputs, reliable crop advice and access to markets. Distance, fragmented demand and weak last–mile infrastructure make each link difficult to access. Limited and delayed decision support can also affect input choices, crop–risk response and where farmers sell their produce.
Product–design examples	Gramik's technology ecosystem includes Crop Doctor Vision for image–based crop diagnosis and Dr. Gramik AI for conversational, voice– and text–based agricultural assistance. The platform also brings together weather and risk alerts, mandi–price intelligence and satellite–based field & crop insights to support more informed farm decisions. These capabilities are integrated with commerce, on–ground agronomy support and market–linkage services.
How it creates value	Gramik combines AI–powered agricultural intelligence with rural distribution and market access. Its AI tools support crop diagnosis, advisory and decision–making, its on–ground agronomy network provides local farmer engagement, and its commerce infrastructure connects farmer demand with manufacturers and buyers. The integrated model is designed to improve access to quality inputs, strengthen farm–level decisions and create more efficient routes from farm to market.
How it reaches	Village–level entrepreneurs/ peer partners provide the local interface for farmer onboarding, service and trust. Dark stores and last–mile delivery partners support fulfillment, while digital, app and voice–based channels help farmers access AI advisory, agricultural inputs and market–linkage services.

Stated strategy: AI–led agricultural intelligence, rural commerce infrastructure and market linkages

- **Build AI–led agricultural intelligence:** strengthen AI–powered crop diagnosis, conversational advisory and the use of weather, market and field intelligence to support timely, data–informed farm decisions.
- **Scale rural commerce infrastructure:** expand the network of village–level entrepreneurs, peer partners, dark stores and delivery partners so farmers can access quality inputs, advice and fulfillment closer to where they live and farm.
- **Develop an integrated digital farmer ecosystem:** connect farmer engagement, crop information, advisory, transactions and service history to enable more contextual and relevant support.
- **Strengthen farmer–to–market connections:** aggregate farmer demand and production, connects manufacturers and institutional buyers through the platform, and build market linkages intended to improve farmer income economics.

Founder insights

> At Gramik, we are harnessing AI–powered crop intelligence, digital advisory and market insights to bridge the gap between farmers, technology and markets. The opportunity in rural India is building distribution infrastructure and not just commerce. This will act as a catalyst in creating better income opportunities for millions of farmers.

Raj Yadav
Co-Founder

COMPANY PROFILE · 07 / 14

AgroStar

Rural agri-inputs and Advisory

AgroStar sells its own-brand seeds, crop protection and crop nutrition products to Indian farmers, together with agronomy advice. Farmers buy through 10,000+ village retail stores, the AgroStar app and its Agri Advisory Center. Its export brand Kimaye sources fruit from Indian farmers and sells it in 20+ countries worldwide.

Footprint, capital and mission

10 million+

Farmers reached

10,000+

Saathi franchise stores across 2,600+ talukas, 11 states

US$140M+

Capital raised to date

Mission	#HelpingFarmersWin: quality inputs and the right agronomy advice so farmers grow better, and access to global markets for their produce
Capital raised	US$140M+ to date, including a US$70M Series D (Dec 2021) and US$30M led by Just Climate (Nov 2025)
Key investors	Bertelsmann India Investments, Just Climate (part of Generation Investment Management), Schroders Capital, Accel, Aavishkaar Capital, Chiratae Ventures, Evolvence India, Hero Enterprise, British International Investment, IFC, Rabo Frontier Ventures
Footprint	10,000+ retail stores across 2,600+ talukas in 11 states; doorstep delivery to 7,500+ pin codes
Farmers served	10 million+ farmers reached; 500K+ monthly active users across AgroStar app and advisory center; 1.5 million+ followers across YouTube, Instagram and Facebook
Distribution model	AgroStar brand → AgroStar warehouse → (a) Saathi franchise store in the taluka, (b) app and call-centre orders delivered to the farmer's door by last-mile delivery partners, increasingly from the nearest Saathi store
Market focus	Farmers in 11 states, with Gujarat, Maharashtra, Rajasthan, Madhya Pradesh and Uttar Pradesh as core markets; Kimaye fruit exports to the Middle East, Europe, South-East Asia and the US



AgroStar Saathi franchise store, Alwar, Rajasthan



Farmer with AgroStar Janki okra seed

Operating model and customer proposition

Problem being solved	Most farmers choose seeds and sprays at the dealer's counter. Farmers we interviewed say dealers push 2–3 products where one would do. Genuine, consistent-quality inputs are hard to find in many villages, and crop-specific advice rarely reaches small farmers.
Product examples	200+ AgroStar-branded agri-input products. Brands include Sanchaar, Bhumika, Rapigen and Amaze X, Janki okra, Randheer onion, mustard and wheat seed. Kimaye exports bananas, pomegranates, guavas and coconuts, and value-added products such as pomegranate arils.
How it creates value	AgroStar owns its brands and tests products in its own quality lab in Pune, so it stands behind what it sells. In a survey of 500+ AgroStar farmers, Aspire Impact found 26% higher yield, 17% lower input costs and 15% better price realisation; 98% rated AgroStar products better than alternatives. Kimaye raised banana shelf life from 30 to 45 days, opening sea shipments to Europe and South-East Asia.
How it reaches	Saathi partners stock AgroStar products and sell to farmers in their taluka. Farmers also order on the app or through the advisory call centre, where agronomists diagnose crop problems; AI-based photo diagnosis supports them.

Founder insights

> An Indian farmer puts real money into seeds, sprays and fertiliser every season, and usually decides what to buy on the advice of whoever is selling it. If the advice is wrong or the product is not genuine, the whole season is lost. We started AgroStar in 2013 to change that decision. We built three things together: products we own and stand behind, agronomy advice a farmer can reach from his phone, and a store he trusts in his own taluka.

Shardul Sheth
Founder and CEO

COMPANY PROFILE · 08 / 14

RodBez

One-way taxi, rental and tour-package mobility for Bharat

RodBez is a Patna-headquartered mobility platform that makes intercity and city-to-village travel more affordable by matching empty return cabs with passengers travelling in the opposite direction. Founded on 10 June 2022 in Bihar, it serves Bihar and is expanding across Jharkhand, Uttar Pradesh and Delhi NCR.

Scale, funding and stated ambition

9 lakh+
customers served

5,000+
verified drivers and vehicles

38+ districts
and 500+ villages in Bihar

Ambition	Build an organised, technology-led intercity mobility network for Bharat, starting with Bihar and extending across eastern and northern India, that lowers travel costs for passengers and helps drivers earn on both legs of a trip.
Capital raised	The supplied media profile notes RodBez's participation in Shark Tank India Season 3 in January 2024 but does not disclose the amount of capital raised or the status of any investment.
Key investors	Not specified in the supplied media profile.
Footprint	Bihar is the core market, with coverage across 38+ districts and 500+ villages and Patna as the hub. RodBez is expanding into 10 cities each in Jharkhand and Uttar Pradesh and is entering Delhi NCR.
Customers served	9 lakh+ customers.
Distribution model	Passenger bookings are available through the RodBez website, Android and iOS apps and call-centre support. Separate applications are available for drivers and fleet operators.
Market focus	Intercity, city-to-village, airport and railway-station travel in Tier-2, Tier-3 and rural markets that are relatively underserved by metro-focused ride-hailing platforms.

Operating model and customer proposition

Problem being solved	For one-way intercity journeys, taxis may be priced as round trips because drivers may not find a return passenger. This increases passenger costs and leaves drivers with empty return capacity.
Product / service examples	One-Way Taxi, intercity travel, local and hourly or daily rentals, tour packages, and airport and railway-station pickup and drop services.
How it creates value	RodBez matches cabs returning empty with passengers travelling in the opposite direction and pools passengers on the same route. The company states that One-Way Taxi can save passengers 40–60% compared with round-trip fares.
How it reaches	Customers can book through the website, Android and iOS passenger apps, or call-centre assistance. On-ground fleet operations teams support driver and fleet-partner onboarding across expansion markets.
Trust and safety	The media profile reports verified drivers and vehicles, live GPS tracking with estimated arrival time, instant ride confirmation, cashless payments, and a full-refund commitment in Bihar if a delayed ride causes a missed flight or train.

Stated strategy: multi-state expansion, local and rental services, and fleet partnerships

- **Go multi-state:** Replicate the Bihar model in 10 cities each in Jharkhand and Uttar Pradesh and open the Delhi NCR corridor.
- **Take Local and Rental to villages:** Extend local and rental services beyond cities to villages across Bihar.
- **Grow the fleet network through partners:** Add fleet operators and verified drivers city by city through on-ground fleet operations teams, building beyond the current 5,000+ network.
- **Raise vehicle utilisation:** Continue matching return capacity and pooling passengers so that more trips are occupied in both directions, supporting lower fares and driver earnings.

Founder insights

> Founder and CEO Dilkhush Kumar built RodBez from first-hand experience of Bihar's transport market. After working in roles including rickshaw pulling, vegetable vending, electrical work and driving, he observed a recurring problem: passengers paid two-way fares for one-way journeys while drivers returned empty. He launched RodBez in Patna on 10 June 2022 to address both sides through technology-led matching and pooling. The name is derived from the way 'roadways' is spoken in Bihar.
>
> Founder

COMPANY PROFILE · 09/ 14

ApniBus

Bus Mobility

Bharat moves on buses. Over 10 crore people travel every day on buses linking towns and villages across the country, most of them run by small private operators who own just one or two vehicles. It is one of India's largest mass markets, yet remains highly fragmented, unorganised and under-penetrated: existing platforms reach less than 5% of the 10 lakh+ buses that serve it.

ApniBus helps these operators digitise by giving them an operating system to run their buses, from ticketing and live tracking to fuel and tolls. By digitising this previously untapped supply, it is building the foundation for a passenger booking platform that caters to the needs of a growing Bharat.

Market context, and stated ambition

10 crore+

passengers using buses every day, spending ₹6 lakh crore+ a year on tickets

3 lakh+

buses to run on the ApniBus operating system in 5 years

Ambition	Transform how Bharat moves: capture a USD 100 Bn opportunity across a bus operating system and demand marketplace
Key investors	Version One, Antler, Good Capital, Inuka Capital, Goodwater Capital, AC Ventures, 1947 Rise, Marshot Ventures
Distribution model	Diversified model built to reach a fragmented operator base: Feet-on-Street (FOS) teams, digital leads and channel partners
Market focus	Affordable intercity and rural buses. Live and scaling in north and central India, with early operations in the rest of India





Operating model and customer proposition

Problem being solved	Private operators run buses on cash and manual processes, leading to pilferage, mis-accounting and lack of control Passengers wait at stands without bus timings, seat availability or route information Existing platforms were built for premium intercity and urban intracity buses; the 10 lakh+ affordable buses that carry most of Bharat have no software or booking platform at all
Product-design examples	Smart ticketing machine with usage-based pricing, so even a single-bus operator can afford to go digital Fuel card that can only be spent at authorised pumps, to reduce pilferage Unified FASTag card across buses for easy tracking Single app for bus operators to manage daily operations and finances Announcement speakers for upcoming stops Telematics including CCTV for passenger safety
How it creates value	**For operators:** Single app for end to end bus operations - Real-time accounting, count of tickets sold, live GPS location and camera feed, fuel and FASTag expense tracking Digital ticketing helps curb revenue leakage, while spending solutions minimise pilferage. A typical bus's operating margin improves by around 20% after adopting ApniBus **For passengers:** A proper ticket with standard fare, payable by UPI Live bus timings instead of waiting at the stand with no information Confirmed seats when booked through ApniBus

How it reaches	On-ground teams seed each new state, activating operators and staying on as their relationship managers. Digital leads and channel partners extend reach beyond where these teams operate, and are increasingly driving expansion

Stated strategy: supply, services and marketplace

- **Take the playbook pan-India:** Expanding from its base in Rajasthan, Haryana, Punjab and Himachal Pradesh into new states
- **Bring more services to operators to cover all their needs:** Add insurance and credit alongside ticketing, tracking, fuel, telematics and tolls, giving small fleet owners, typically with 1-2 buses, access to services that have historically reached only larger, formal players.
- **Build the passenger marketplace:** Offer live schedules, seat confirmation and digital tickets on routes no platform reaches today, starting where ApniBus supply is deepest

Founder insights

> Go to any bus stand in a district town early in the morning and you'll see how most of India really travels. One bus after another, full of people going to work, to college, to the market, most of them paying around ₹100 for the ride. Across the country, that adds up to lakhs of crores a year, mostly running offline.
>
> So why has nobody built for this segment yet? A ₹100 ticket leaves little margin for a booking platform, and the buses are spread across lakhs of small operators. Running 30 buses ourselves showed us the only way to fix this was to start with the operator and get the experience right before expanding to the passenger. With UPI, smartphones and FASTag, all the rails to make this work are finally in place.
>
> What this can enable for Bharat goes well beyond buses. An operator with a record of every ticket and every litre of fuel becomes someone a bank can lend to and an insurer can cover. Passengers get what city travellers take for granted: a bus they can track and a seat they can count on. When getting to work, college or the market becomes predictable, people travel more, and the humble bus quietly lifts the productivity of a whole region.
>
> That is what ApniBus is building, one bus at a time.

Sumit Gupta
Founder and CEO

COMPANY PROFILE · 10 / 14

LabourNet

Vocational skilling and workforce services

LabourNet links vocational learning with employment, apprenticeships, staffing and enterprise opportunities for workers and young people. Established in Bengaluru in 2006 and incorporated in 2008, it combines industry–aligned training, a proprietary workforce technology platform and local delivery infrastructure, with employers, educational institutions and program partners funding or co–delivering services. It measures itself on access to work, productivity and progression in earnings, with course completion treated as an intermediate step.

Market context, capital and scale

1.3M+	INR58+ crore	240+
Lives impacted	Funding Raised	Enterprises served

Ambition	Connect unemployed and under–employed people with work and skilling opportunities, while improving worker productivity and wage progression.
Key investors	Acumen Fund, the Michael & Susan Dell Foundation and Capital 4 Development Asia Fund (C4D), alongside founder and angel shareholders.
Capital Raised	INR58.8 crore of equity subscribed by institutional and angel investors across Series A to E2 (2014 to 2020); total paid–in equity including founder capital INR62.0 crore.
Footprint	Nine industrial clusters, including Bengaluru, Chennai, Hyderabad, Pune, Mumbai, Ahmedabad, Delhi NCR and Kolkata; more than 400 client locations; over 12,000 associates deployed with client enterprises.
Households served	Approximately 1.3 million lives impacted over the decade to FY 2024: about 1.1 million candidates trained
Distribution model	Work–integrated learning, in which workers earn as they train, delivered through employer–linked programs, apprenticeships, on–site skilling and Earn & Learn pathways from ITI to diploma and degree. Deployed associates are enrolled in provident fund and employee state insurance and covered by group insurance from the start of deployment, subject to scheme eligibility.

Market focus	Informal and blue–collar workers, ITI and vocational graduates, apprentices and first–time earners are the primary beneficiaries. Enterprise, institutional and philanthropic partners fund or co–deliver services, linking workforce demand with worker advancement.

Operating model and customer proposition

Problem being solved	Incomplete education, under–employment and limited recognition of informal workers' skills restrict access to productive work and wage progression, while enterprises face skilled–labour shortages, attrition and compliance risk in their contract workforce.
Services	Provides an integrated workforce platform spanning staffing, work–linked skilling and education, assessment and certification, worker benefits, and emerging international mobility pathways.
How it creates value	Workers gain recognised skills, formal employment with statutory benefits and pathways to higher–paying roles or enterprise. Employers receive job–ready talent within defined turnaround times, productivity support, retention and workforce compliance.
How it reaches	Client workplaces, community and institutional centers, schools, colleges and ITIs, and digital learning tools, with sourcing through partner NGOs, educational institutions, local recruitment agents and associate referrals.

Stated strategy: product value, demand data and scale

- Measure success through work access, productivity and wage progression.
- Use micro–learning, the Skill LXP, centers and workplace formats so workers keep earning while they learn.
- Serve both the paying employer or institution and the worker, building multiple recurring revenue streams around each placed worker.
- Increase the share of staffing engagements that generate additional income through university–linked, work–integrated skilling.

Founder insights

> Most people in India find work; far fewer find work that pays what their effort is worth. At the same time, enterprises struggle to find productive, reliable workers. These are the same problem seen from two sides. Our job is to make the worker more productive and to ensure the gain shows up in the enterprise's output and in the worker's wages. A person who left school early, or finished school before learning a trade, should be able to learn one while earning, and keep moving up. Give people the skill to earn, and the enterprise grows with them.

Rajesh AR
Founder

Rocket Learning

Early childhood education

Rocket Learning strengthens early childhood development through government Anganwadi systems rather than building a parallel preschool network. It connects parents and frontline educators through localised digital communities, play–based activities, behavioural nudges and hybrid training and support.

Market context, scale and stated ambition

6M

children reached through teachers and parents

400,000

Anganwadi educators reported in 2026

50M

underserved children targeted by 2030

Ambition	Help 50 million underserved children by 2030 and strengthen public preschool systems so children enter school ready to learn.
Capital raised	Nonprofit organisation funded through philanthropic grants and program partnerships; Mulago reported US$1.1 million in cumulative grants.
Footprint	Across 15 states and union territories and 30% of India's public preschools.
Households served	6 million+ children reached through parents and educators.
Distribution model	400,000 Anganwadi educators, supported through government partnerships and digital communities.
Market focus	Early childhood education for underserved children, primarily through India's Anganwadi network across rural and low–income communities.





Operating model and customer proposition

Problem being solved	Many children enter school without consistent early stimulation, while parents may see Anganwadis mainly as nutrition centers and frontline workers have limited education resources.
Product–design examples	Short, localised play–based activities are delivered to educators and parents; online interactions are complemented by training, calls and community meetings.
How it creates value	The model builds on adults already close to the child, reinforcing daily learning habits without requiring a new parallel center network.
How it reaches	Government partnerships connect Anganwadi workers and parents through WhatsApp groups; peer participation, feedback and nudges support engagement.

Stated strategy: product value, demand data and scale

- Embed early learning within Anganwadi networks and support government implementation rather than establish a separate preschool chain.
- Provide agency, practical content and coaching to adults who already have intrinsic motivation to support children.
- Combine smartphones, AI–enabled nudges and data with educator training, community meetings and targeted calls to sustain participation.

Founder insights

> Rather than create a parallel system, we've tried to work with the government and strengthen their daycare system. We have tried to provide agency to people to be able to help themselves. We are trying to use technology and smartphones in sensible ways, seeing technology as an enabler to support communities in what they do. It's a hybrid offline–online model. Rather than trying to replace the parents and daycare workers, we've said, let's use what exists.
>
> **Azeez Gupta**
> Founder

COMPANY PROFILE · 12 / 14

Arivihan

AI-led learning for Bharat

Founded in Indore in 2022 by IIT Roorkee alumni, Arivihan helps Class 10–12 students in Tier-3 towns and villages prepare for state boards and NEET in their own language. Teachers take daily live classes; AI gives each student personal help with doubts, practice and revision.

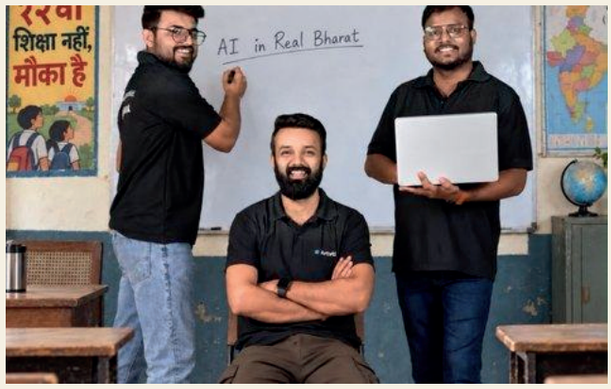
Market context, capital and scale

250mn
students enrolled in India

$15mn+
raised across three funding rounds

4 lakh+
paying students by October 2026

Ambition	No student gives up the exam of their dreams because of financial problems
Capital raised	$15 million+, including a $10 million Series A in September 2026
Key investors	Accel, Prosus Ventures and GSF angel investors
Distribution model	Mobile app to first student to classmates to the whole school, backed by local teachers
Market focus	Tier-3 towns and rural India; state boards of Madhya Pradesh, Uttar Pradesh, Rajasthan and Bihar, plus NEET





Operating model and student proposition

Problem being solved	Good coaching costs more than most Tier-3 and rural families can pay. Free online lectures help mainly toppers. The average student has nobody to clear doubts or point out mistakes.
How it creates value	Daily live classes where every comment gets an instant AI reply and 24/7 doubt solving. Paying students use the AI about 11 times and study 45–60 minutes a day. The full-year fee is just ₹51.
Proof in results	82% of users improved marks by 25% in 30 days. Madhya Pradesh Board Rank 1 for three years: Anshika Mishra (Rewa), Priyal Dwivedi (Satna), Khushi Rai (Bhopal). Other 2026 toppers: Rishita Tunwal and Nikita Jangid (Sikar, 99.8%), Shlok Prajapati (Sehore, 98.6%), Nandini Gupta (Kheda village, Bareilly, 97.2%).
How it reaches	Students find Arivihan on YouTube and the app (10 lakh+ downloads, 4.6 rating), then tell classmates. Paying students grew about 20× in a year; 80% of subscribers are from Tier-3 cities and rural India.

Stated strategy: full learning system, trust and new exams

- **Build the full learning system, not only content:** put AI into every step, from classes and doubts to practice, tests and revision, so each student gets personal attention. Teachers move towards mentoring and motivation.
- **Grow through trust and word of mouth:** results, capable teachers and local connection earn trust. Arivihan aims to win a few students in every school, who then bring their classmates.
- **Take the model to more exams:** expand from four states to all Hindi-speaking state boards and a few competitive exams, each with a personal learning system priced to enter every home.

Founder insights

"

I saw my sisters choose an exam they did not want, because our family could not pay the coaching fees for the one they dreamed of. This is the story of almost every home in Tier-3 and rural India.

India has 250 million students. Talent lives in every village, but good teaching has always carried a price most families cannot pay. No child's future should depend on her family's income.

Edtech has made content cheaper. But a video alone helps only the topper. The average child needs someone to answer her doubt at midnight and show her where she went wrong. With AI, we can give every student that personal teacher, in her own language.

Arivihan is our promise to real Bharat. When a girl from Satna, Rewa or a village in Bareilly reaches the top of her state's merit list, a whole village starts to believe. We will not stop until costly education ends and no student in India gives up a dream because of money.

Ritesh Singh Chandel
Co-founder & CEO

Samunnati

Integrated finance and market access for agricultural value chains

Samunnati is India's largest integrated Agri Value Chain solutions provider, enabling inclusive growth and enhanced efficiency across the agricultural ecosystem. With a focus on making markets work for smallholder farmers, Samunnati operates at the intersection of Finance and Commerce, supporting both Farmer Collectives (FCs) and Agri Enterprises (AEs) across the entire agri value chain (primarily working capital gaps). With a presence across 28 states, Samunnati has an outreach of 8 million farmers and 30,000+ Farmer Collectives, working with 4,000+ Agri Enterprises, spanning 100+ value chains and enabling transactions worth over INR 30,000 crores across India's agri ecosystem.

At Samunnati Group, our purpose is to make markets work for smallholder farmers and operate agri value chains at a higher equilibrium. We do this through our AMLA (Aggregation – Market Linkage – Advisory) approach — leveraging the power of Aggregation, enabling Access to Markets, Finance, Learning/Advisory, and Innovation across the agricultural value chain.

The Group brings together four entities that work in harmony to deliver this vision:

Samunnati Agri Value Chain Solutions Pvt. Ltd, Samunnati Finance Pvt. Ltd, Samunnati Agri Innovation Lab (SAIL) and Samunnati Foundation.

Scale, funding and stated ambition

30,000+

FPOs (Farmer Producer Organisations)

4,000+

Agri-enterprises

8 Mn

Farmers across 28 states

Ambition	**Building India's leading integrated agricultural value chain ecosystem** Samunnati aspires to build India's leading integrated agri-value chain ecosystem by bringing together finance, commerce, technology and institutional capabilities to create a more connected, efficient and inclusive agricultural economy. Building on its presence across 28 states and 100+ agricultural value chains, Samunnati aims to deepen its engagement with Farmer Collectives, agri-enterprises and other ecosystem participants through: **Scaling trade-led solutions:** Expanding trade facilitation, market linkages and transaction-led solutions to improve market access and value realisation. **Deepening financial inclusion:** Expanding access to customised finance through direct lending, co-lending and Business Correspondent partnerships. **Building connected digital ecosystems:** Strengthening digital marketplaces, data-led solutions and technology integration to improve efficiency, connectivity and scalability. **Strengthening institutional capabilities:** Enabling FPOs and agricultural enterprises through capacity building, advisory, innovation and sustainable development initiatives. Through the integration of its four business and institutional arms, Samunnati seeks to evolve from enabling individual transactions to strengthening entire agricultural value chains, creating sustainable value for farmers, FPOs, agri-enterprises and ecosystem partners.
Capital raised	Equity: about INR 8.3 Bn raised across Series A to Pre-Series E (FY16 to FY25). Debt: about INR 83 Bn raised since inception from 40+ lending partners. Funding mix: 45% DFIs, 26% banks, 25% NBFCs and 4% capital market investors.
Key investors	Equity investors: Elevar Equity, Accel, responsAbility, Nuveen (a TIAA company), Equitane and Agri-Biz Capital Delaware (Pre-Series E, 2025). Lenders include DFIs such as Rabobank, FMO, DFC, Blue Earth, IIX and Triodos, and banks and FIs such as Axis Bank, SBI, SIDBI, HDFC Bank, ICICI Bank, Kotak, Nabkisan and Canara Bank.
Footprint	Pan-India presence in 100+ agri value chains across 28 states. Samunnati's gross transaction is about INR 30,000 Cr.
Customers served	30,000+ FPOs, 8 Mn farmers, 4,000+ agri-enterprises, 750,000+ SMEs/ MSMEs and 50+ corporates.

Distribution model	The group runs four arms, each covering one part of the value chain: Samunnati Agri Value Chain Solutions Pvt. Ltd. – facilitating efficient trade and market access for farmer collectives and agri-enterprises. Samunnati Finance Pvt. Ltd. – providing tailored financial solutions that unlock working capital and growth for ecosystem participants. Samunnati Agri Innovation Lab (SAIL) – developing digital platforms and data-driven solutions while anchoring an in-house research desk that generates insights, intelligence, and thought leadership for the sector. Samunnati Foundation – driving inclusion, sustainability, and capacity building of Farmer Producer Organisations (FPOs) and rural communities. These are delivered on the ground through FPOs and agri-enterprises, and digitally through FPO Next, Trade Next and four marketplaces (Input, Output, Credit, Consumer).
Market focus	FPOs, farmers, agri-enterprises and start-ups across the agri value chain. Access to more than 60% of India's FPOs and facilitates roughly 70-80% of FPO financing in the country, within an addressable market of about USD 25 Bn.

Operating model and customer proposition

Problem being solved	Samunnati addresses the structural challenges of fragmented agricultural value chains by acting as an integrated network enabler, connecting farmers, FPOs, agri-enterprises, buyers, financial institutions and ecosystem partners. Through an integrated approach combining market access, finance, technology and advisory, Samunnati bridges critical gaps across the agricultural ecosystem. It enables smallholder farmers and FPOs to access reliable markets, timely and customised credit, digital solutions, and knowledge-led support, while facilitating efficient and transparent transactions across the value chain. By bringing these stakeholders together and integrating demand, supply and financial flows, Samunnati helps improve market efficiency, strengthen value chains and enhance income and value realisation for smallholder farmers.
Product / service examples	**Finance:** co-lending and direct lending models with working capital, term loans and discounting lines for FPOs and agri-enterprises. **Trade and market linkage:** supply chain funding and market linkages across 100+ commodities, with instant payment (Bill to Ship to Model) **Innovation:** FPO Next, Trade Next, the four marketplaces and AI tools. **Foundation:** capacity building, institutional strengthening, sustainability and social-impact programmes.

How it creates value	Samunnati creates value by integrating trade facilitation and finance, supported by technology and advisory. Market linkages enable reliable cash flows, better price discovery and timely payments, strengthening creditworthiness, while access to working capital drives higher trade volumes and business growth. By leveraging aggregation and transaction flows with technology as the pathway, Samunnati enables smallholder farmers and FPOs to access finance and markets, creating a sustainable, self-reinforcing agri value chain ecosystem.
How it reaches	Through FPOs and agri-enterprises on the ground, supported by the digital platforms, 35+ strategic partnerships with input companies, processors and fintechs, and a funding base of 40+ lenders. About 11% of customers are new each year.

Stated strategy: integrate finance, market access and FPO capabilities

- **Trade Facilitation:** Scale BTST and trade-led solutions across agricultural value chains to strengthen market linkages and transaction flows.
- **Digital Marketplaces:** Expand TradeNext to connect buyers, suppliers, FPOs and agri-enterprises across credit, inputs and outputs.
- **Partnership-Led Finance:** Scale co-lending and BC partnerships with banks and financial institutions to expand credit access.
- **Technology and Innovation:** Leverage API integrations, data-led solutions and fee-based models to drive scalability and operational efficiency.

Founder insights

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Agriculture is an interconnected ecosystem, yet farmers, FPOs, agri-enterprises, buyers and financial institutions often operate in silos. The challenge facing smallholder farmers is therefore not merely access to finance, but access to an ecosystem that enables them to participate more effectively in markets and realise the true value of their produce.

At Samunnati, our belief has always been that markets must work for farmers, not the other way around. This requires us to look beyond individual interventions and address the interconnected needs of agricultural value chains.

Our integrated approach brings together aggregation, market linkages, finance, technology and advisory to create stronger connections between participants across the ecosystem. By combining these capabilities, we aim to make markets more accessible, financial solutions more relevant and agricultural value chains more efficient.

As we look ahead, our ambition is to deepen this integration by scaling trade-led solutions, expanding access to finance through partnerships, leveraging technology and strengthening the institutional capabilities of FPOs and agri-enterprises.

We believe the future of agricultural transformation lies in building connected ecosystems where commerce, finance and innovation reinforce one another. Through our collective capabilities, we aspire to create sustainable value not just for individual farmers and enterprises, but for the entire agricultural ecosystem.

Ultimately, making markets work for smallholder farmers is about more than enabling transactions. It is about strengthening institutions, creating opportunities and building a more inclusive, resilient and sustainable agricultural economy.

Founder

Hesa

BFSI

Hesa connects enterprise brands, financial service providers, agricultural institutions, and rural consumers through a phygital (physical + digital) distribution platform. The company combines an integrated digital platform with a network of village-level micro-entrepreneurs called **Hesaathis**. This dual network enables last-mile market entry, brand activation, assisted transactions, financial inclusion, and rural consumer insights, while allowing rural producers and farmers to access broader buyer markets.

Market context, capital and stated ambition

75,000+	8+	2 million+
Hesaathis	Indian states	Customer

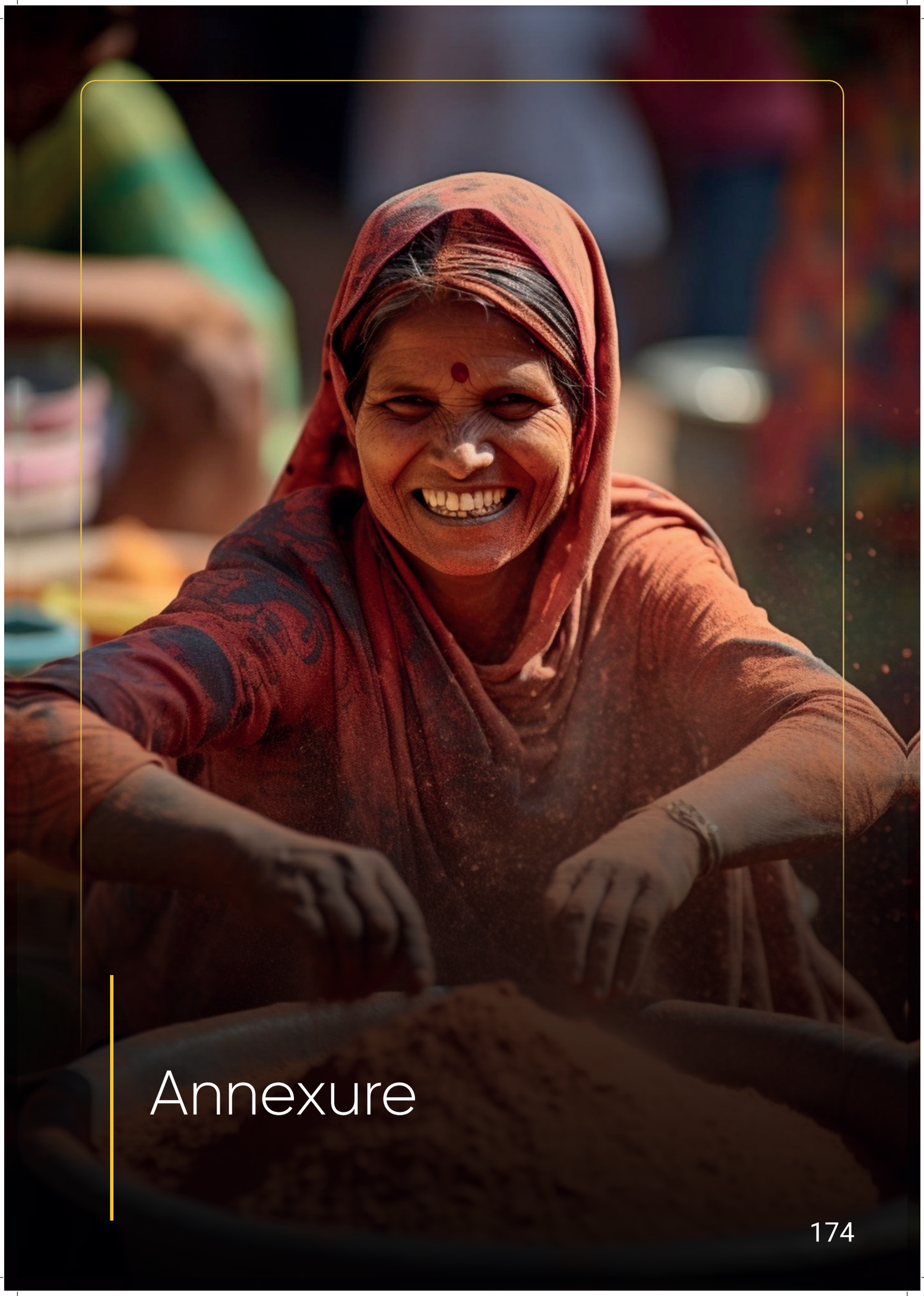
Ambition	Connect India and Bharat through a trusted, technology-enabled rural commerce and financial execution network
Capital raised	~$6M in institutional equity funding
Key investors	Seed & Pre-Series A rounds led by Venture Catalysts, 9Unicorns, and angel investors
Footprint	7+ states and 150,000+ villages connected
Customers served	2 million+ customers and 75,000+ Hesaathis reported by Hesa
Distribution model	Digital B2B2C platform supported by resident village Hesaathis; combines product activation, doorstep banking, and rural logistics
Market focus	Rural FMCG, Agritech procurement, Micro-Fintech/BFSI, and last-mile distribution





Operating model and customer proposition

Problem being solved	Rural distribution and market engagement are constrained at both ends. Enterprise brands and financial institutions face high customer acquisition costs, fragmented supply chains, low digital literacy, and severe gaps in visibility, delivery, and real-time insights across dispersed villages. Concurrently, rural consumers lack assisted access to essential goods, banking, and credit services, while rural producers struggle to reach urban buyers due to long supply chains and physical distance.
Product-design examples	Rather than relying solely on direct-to-consumer digital applications, Hesa deploys a resident micro-entrepreneur—the **Hesaathi**—as the primary ground interface. Operating on an offline-first mobile platform, Hesaathis execute: Doorstep financial services (cash-in/cash-out, micro-insurance, credit scoring data collection). Product demonstrations and brand activation for FMCG and consumer durables. Assisted e-commerce buying for local shopkeepers (Kiranas) and consumers. Ground-level consumer research and real-time market surveys.
How it creates value	**For Enterprise Clients & Financial Institutions:** Provides a scalable, single-point channel for rural brand awareness, assisted transaction closing, verified ground data, and last-mile order fulfillment. **For Rural Consumers & Producers:** Grants doorstep access to essential banking, financial products, and quality goods, while creating direct market linkage for farm produce. **Technology & Human Coordination:** Technology manages backend inventory, route planning, financial settlement, and client reporting, while the Hesaathi supplies the human presence and local trust required to drive technology adoption in rural markets.
How it reaches	A Hesaathi operates locally within their own village cluster as the human node between the platform and the end user. By introducing products, assisting digital payments, and handling physical doorstep pickup and delivery, the Hesaathi network allows corporate entities to access rural consumers—and rural producers to reach broader markets—without relying on an unassisted digital interface.



Annexure

Annexure 1: Abbreviations

Abbreviation	Full form
AAM	Ayushman Arogya Mandir
AB	Ayushman Bharat
AB–PMJAY	Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana
ABDM	Ayushman Bharat Digital Mission
ABHA	Ayushman Bharat Health Account
AePS	Aadhaar Enabled Payment System
AI	Artificial Intelligence
AIF	Agriculture Infrastructure Fund
APY	Atal Pension Yojana
ASER	Annual Status of Education Report
B2B	Business–to–Business
B2B2C	Business–to–Business–to–Consumer
BDO	Block Development Officer
BFSI	Banking, Financial Services and Insurance
BHIM–UPI	Bharat Interface for Money – Unified Payments Interface
BII	British International Investment
BMTC	Bangalore Metropolitan Transport Corporation
CAGR	Compound Annual Growth Rate
CARE	Credit Analysis and Research Limited
CHC	Community Health Center
CRIF High Mark	Centre for Research in International Finance High Mark Credit Information Services
CSC	Common Services Center

Abbreviation	Full form
D2C	Direct–to–Consumer
DAY–NRLM	Deendayal Antyodaya Yojana – National Rural Livelihoods Mission
DBT	Direct Benefit Transfer
DD	Doordarshan
DDU–GKY	Deen Dayal Upadhyaya Grameen Kaushalya Yojana
e–NAM	Electronic National Agriculture Market
EAC–PM	Economic Advisory Council to the Prime Minister
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortisation
FADA	Federation of Automobile Dealers Associations
FAME	Faster Adoption and Manufacturing of (Hybrid and) Electric Vehicles
FI–Index	Financial Inclusion Index
FICCI	Federation of Indian Chambers of Commerce and Industry
FMCG	Fast–Moving Consumer Goods
FPO	Farmer Producer Organisation
GDP	Gross Domestic Product
GMV	Gross Merchandise Value
GP	Gram Panchayat
GST	Goods and Services Tax
GVA	Gross Value Added
HCES	Household Consumption Expenditure Survey
IAMAI	Internet and Mobile Association of India
IANS	Indo–Asian News Service

Abbreviation	Full form
IBEF	India Brand Equity Foundation
ICRA	Investment Information and Credit Rating Agency of India
IIT	Indian Institute of Technology
IMD	India Meteorological Department
IPO	Initial Public Offering
IPPB	India Post Payments Bank
ISP	Internet Service Provider
ITC Limited	Imperial Tobacco Company of India Limited
JEE	Joint Entrance Examination
LCV	Light Commercial Vehicle
LEADS	Logistics Ease Across Different States
LGD	Local Government Directory
LIC	Life Insurance Corporation of India
LPA	Long–Period Average
MDR	Merchant Discount Rate
MFI	Microfinance Institution
MFIN	Microfinance Institutions Network
MGNREGA	Mahatma Gandhi National Rural Employment Guarantee Act
MHA	Ministry of Home Affairs
MoHFW	Ministry of Health and Family Welfare
MoHUA	Ministry of Housing and Urban Affairs
MoRD	Ministry of Rural Development
MoSPI	Ministry of Statistics and Program Implementation
MPCE	Monthly Per Capita Consumption Expenditure
MRI	Magnetic Resonance Imaging

Abbreviation	Full form
MSME	Micro, Small and Medium Enterprise
MUDRA	Micro Units Development and Refinance Agency
NABARD	National Bank for Agriculture and Rural Development
NAFIS	NABARD All India Rural Financial Inclusion Survey
NBFC	Non–Banking Financial Company
NCR	National Capital Region
NEET	National Eligibility cum Entrance Test
NFHS	National Family Health Survey
NHA	National Health Accounts
NIIT	National Institute of Information Technology
NIPUN	National Initiative for Proficiency in Reading with Understanding and Numeracy
NIRDPR	National Institute of Rural Development and Panchayati Raj
NITI Aayog	National Institution for Transforming India Aayog
NIUA	National Institute of Urban Affairs
NNI	Net National Income
NPA	Non–Performing Asset
NPCI	National Payments Corporation of India
NREGS	National Rural Employment Guarantee Scheme
NSDP	Net State Domestic Product
NSO	National Statistical Office
NSS	National Sample Survey
ONDC	Open Network for Digital Commerce

Abbreviation	Full form
ORGI	Office of the Registrar General and Census Commissioner, India
PACS	Primary Agricultural Credit Society
PAI	Panchayat Advancement Index
PARI	People's Archive of Rural India
PESA	Panchayats (Extension to Scheduled Areas) Act, 1996
PHC	Primary Health Center
PIB	Press Information Bureau
PLFS	Periodic Labour Force Survey
PM E–DRIVE	PM Electric Drive Revolution in Innovative Vehicle Enhancement
PM POSHAN	Pradhan Mantri Poshan Shakti Nirman
PM SHRI	PM Schools for Rising India
PM–ABHIM	Pradhan Mantri Ayushman Bharat Health Infrastructure Mission
PM–JAY	Pradhan Mantri Jan Arogya Yojana
PM–KISAN	Pradhan Mantri Kisan Samman Nidhi
PM–WANI	Prime Minister Wi–Fi Access Network Interface
PMAY–G	Pradhan Mantri Awas Yojana – Gramin
PMGSY	Pradhan Mantri Gram Sadak Yojana
PMJDY	Pradhan Mantri Jan Dhan Yojana
PMJJBY	Pradhan Mantri Jeevan Jyoti Bima Yojana
PMMY	Pradhan Mantri MUDRA Yojana
PMSBY	Pradhan Mantri Suraksha Bima Yojana

Abbreviation	Full form
POS	Point of Sale
PTI	Press Trust of India
PW	PhysicsWallah
RBI	Reserve Bank of India
RRB	Regional Rural Bank
RSETI	Rural Self Employment Training Institute
RSRTC	Rajasthan State Road Transport Corporation
RTO	Regional Transport Office
SAS	Situation Assessment Survey
SECC	Socio–Economic and Caste Census
SHC	Sub–Health Center
SHG	Self–Help Group
sq km	Square kilometre
ST	Scheduled Tribe
TAM	Total Addressable Market
TEXPROCIL	Textiles Export Promotion Council
TFR	Total Fertility Rate
TRAI	Telecom Regulatory Authority of India
TVS	T. V. Sundram Iyengar & Sons
UDISE+	Unified District Information System for Education Plus
UIDAI	Unique Identification Authority of India
UN	United Nations
UPI	Unified Payments Interface
UPSC	Union Public Service Commission
VB–G RAM G	Viksit Bharat – Guarantee for Rozgar and Ajeevika Mission (Gramin)
WPR	Worker Population Ratio

Annexure 2: Government programmes and rural-market linkages

Agriculture

Programme, platform or public infrastructure	What it aims to do	Link to rural markets
Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) — income support (Ministry of Agriculture and Farmers Welfare)	Pays eligible farmer families INR 6,000 a year directly into their bank accounts[1]	Regular cash for farm households, paid through bank accounts
Pradhan Mantri Fasal Bima Yojana, PMFBY (Ministry of Agriculture and Farmers Welfare)	Insures farmers against crop loss from notified risks	Protects farm incomes; builds the crop-insurance and farm-finance market
Per Drop More Crop, part of Pradhan Mantri Krishi Sinchayee Yojana (Ministry of Agriculture and Farmers Welfare)	Expands drip and sprinkler irrigation to save water	Demand for irrigation equipment, installation, servicing and crop advice
Agriculture Infrastructure Fund, AIF (Ministry of Agriculture and Farmers Welfare)	Finances storage and other post-harvest assets with interest support and loan guarantees	Storage, grading, cold chains and processing near farms
National Agriculture Market (e-NAM) and the Central Sector Scheme for Formation and Promotion of 10,000 FPOs — public platform and institutional network (Ministry of Agriculture and Farmers Welfare)	Links mandis online and helps farmers form producer groups	Better price discovery, business-to-business trade and pooled supply

Health

Programme, platform or public infrastructure	What it aims to do	Link to rural markets
Ayushman Bharat Pradhan Mantri Jan Arogya Yojana (PM-JAY) — hospital financing (National Health Authority)	Pays for eligible families' hospital care	Organised demand for hospitals and diagnostics
National Health Mission and Ayushman Arogya Mandirs (Ministry of Health and Family Welfare)	Strengthens primary health care, health workers and referrals	Screening, diagnostics, teleconsultation and referral points close to villages

Programme, platform or public infrastructure	What it aims to do	Link to rural markets
Pradhan Mantri Ayushman Bharat Health Infrastructure Mission, PM-ABHIM (Ministry of Health and Family Welfare)	Builds public health laboratories, critical care blocks and disease surveillance	Laboratory and diagnostic networks
Ayushman Bharat Digital Mission, ABDM (National Health Authority)	Creates digital health IDs and linked health records	Digital health services and continuity of care

E-commerce

Programme, platform or public infrastructure	What it aims to do	Link to rural markets
Open Network for Digital Commerce, ONDC (incubated by the Department for Promotion of Industry and Internal Trade)	An open network that links buyer and seller apps	Wider reach for rural sellers and more choice for rural buyers
Common Services Centers, CSCs (Ministry of Electronics and Information Technology)	Local centres where people get help with digital services	Help with sign-up, ordering, documents and payments
Deendayal Antyodaya Yojana – National Rural Livelihoods Mission, DAY-NRLM (Ministry of Rural Development)	Organises rural women into SHGs and supports their businesses	Trusted local groups for selling, distribution and enterprise
Pradhan Mantri Formalisation of Micro Food Processing Enterprises, PMFME (Ministry of Food Processing Industries)	Help small food processors register, borrow and build brands	Local food brands, packaging and readiness to sell online
BharatNet (Department of Telecommunications)	Brings broadband to gram panchayats	Internet access for finding, ordering and delivering services

BFSI

Programme, platform or public infrastructure	What it aims to do	Link to rural markets
Pradhan Mantri Jan Dhan Yojana, PMJDY (Department of Financial Services)	Opens basic bank accounts for all	Accounts for government transfers, savings, payments and insurance
Pradhan Mantri MUDRA Yojana, PMMY (Department of Financial Services)	Gives loans to micro businesses	Working capital and equipment for small businesses

Programme, platform or public infrastructure	What it aims to do	Link to rural markets
Kisan Credit Card, KCC (Department of Financial Services, Reserve Bank of India and NABARD)	Gives farmers a short-term credit line	Seasonal working capital for farming
Pradhan Mantri Jeevan Jyoti Bima Yojana, Pradhan Mantri Suraksha Bima Yojana and Atal Pension Yojana (Department of Financial Services and Pension Fund Regulatory and Development Authority)	Low-cost life cover, accident cover and pensions	Insurance and pensions sold through bank accounts
SHG–bank linkage (NABARD and Reserve Bank of India)	Connects women's groups to bank savings and loans	Trusted channel for lending to women-led businesses

Education and skilling

Programme, platform or public infrastructure	What it aims to do	Link to rural markets
Samagra Shiksha (Ministry of Education)	Fund school education, including computer labs and smart classrooms	Demand for school hardware, internet, content and teacher training
PM Schools for Rising India (PM SHRI) — school infrastructure (Ministry of Education)	Upgrades selected government schools into model schools	Buildings, labs, libraries and digital content
PM POSHAN — nutrition support (Ministry of Education)	Provides cooked meals to eligible schoolchildren	Food procurement, local supply chains and reduced household food burden
NIPUN Bharat — foundational learning (Ministry of Education)	Improves foundational literacy and numeracy	Learning materials, assessment tools and teacher support
Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) — placement-linked skilling (Ministry of Rural Development)	Placement-linked training for rural youth seeking wage employment	Trained workers for employers; assess placement, retention and earnings
Rural Self Employment Training Institutes (RSETIs) — institutional training network (Ministry of Rural Development)	Self-employment and enterprise training for rural youth	New small businesses; assess enterprise formation, survival and income

Rural mobility

Programme, platform or public infrastructure	What it aims to do	Link to rural markets
Pradhan Mantri Gram Sadak Yojana, PMGSY, including PMGSY-IV (Ministry of Rural Development)	All-weather roads to rural habitations	Lower travel and freight costs; wider delivery areas
PM Electric Drive Revolution in Innovative Vehicle Enhancement, PM E-DRIVE (Ministry of Heavy Industries)	Supports purchases of electric vehicles and charging points	Electric passenger and goods transport, and vehicle loans
Aajeevika Grameen Express Yojana (Ministry of Rural Development)	Vehicles run by SHG members for rural passenger transport	Community transport businesses and vehicle loans
National Logistics Policy, PM GatiShakti and LEADS assessment – policy framework, planning platform and performance assessment (Department for Promotion of Industry and Internal Trade)	Improve logistics planning, digital coordination and state-level logistics performance assessment	May support better freight connectivity, warehousing and supply-chain planning; commercial impact depends on project implementation and local logistics demand

Digital payments

Programme, platform or public infrastructure	What it aims to do	Link to rural markets
UPI and the BHIM-UPI incentive (National Payments Corporation of India, Department of Financial Services and Ministry of Electronics and Information Technology)	Instant payments between any banks; support for small merchant payments	Merchant payments, QR codes and payment-linked services
Payments Infrastructure Development Fund (Reserve Bank of India)	Subsidises deployment of payment-acceptance infrastructure in targeted areas and merchant categories	More shops able to accept digital payments
Aadhaar Enabled Payment System (AePS) and banking correspondents – payment rail and assisted-access network (NPCI, UIDAI and Department of Financial Services)	Cash withdrawal and basic banking through local agents using Aadhaar	Cash in and out close to home, and agent services
India Post Payments Bank, IPPB (Department of Posts)	Banking at the doorstep through post offices and postal staff	Account services, cash withdrawal and bill payments in villages

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Chapter 7

Information shared and vetted by the startups

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